

By Mr. ZIHLMAN: A bill (H. R. 15200) for the relief of the InterOcean Oil Co.; to the Committee on War Claims.

By Mr. MacGREGOR: A resolution (H. Res. 257) authorizing payment of six months' salary and funeral expenses to Elizabeth Mary Smith, on account of the death of John M. Smith, late an employee of the House of Representatives; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7925. By Mr. DICKINSON of Missouri: Petition of Mrs. Richard Smith and others, of Lockwood, Mo., opposing compulsory Sunday observance legislation; to the Committee on the District of Columbia.

7926. By Mr. GARBNER: Petition of the National Dairy Union, urging enactment of House bill 10958, a bill providing for an amendment to the oleomargarine law; to the Committee on Agriculture.

7927. Also, petition of the Ed. S. Vail Butterine Co., Chicago, Ill., urging opposition to House bill 10958, a bill to amend the oleomargarine law; to the Committee on Agriculture.

7928. Also, petition adopted by conference held at the Kansas State Agricultural College, Manhattan, Kans., in regard to the improvement and safeguarding of the hard winter wheat industry of the southern Great Plains; to the Committee on Agriculture.

7929. Also, petition of the Patriotic Order Sons of America, Pennsylvania State Camp, urging the rigorous restriction of foreign immigration from Mexico, Central and South America; additional and better naturalization and alien deportation legislation; the nationalization of the Star Spangled Banner; Federal aid to our public schools; and increased appropriations for more adequate enforcement of restriction, alien deportation, prohibition, and narcotic drugs laws; to the Committee on Immigration and Naturalization.

7930. Also, petition of members of the Beaver County Rural Carriers' Association, in meeting assembled at Beaver, Okla., urging passage of the Dale retirement bill; to the Committee on the Civil Service.

7931. Also, petition of the Baltimore Butterine Co., urging opposition to House bill 10958, a bill to amend the oleomargarine act; to the Committee on Agriculture.

7932. Also, petition of W. L. Blanton, captain, Nineteenth Infantry, secretary of Association of Officers, opposed to change in promotion list, urging opposition to Senate bill 3089 and House bill 13246; to the Committee on Military Affairs.

7933. By Mr. HOWARD of Oklahoma: Petition of Keetoowah Society of Indians of Oklahoma, favoring the passage of House bill 15035; to the Committee on Indian Affairs.

7934. By Mr. LAMPERT: Petition of employees of the Fred Rueping Leather Co., Fond du Lac, Wis., requesting protective tariff on calf leather; to the Committee on Ways and Means.

7935. By Mr. MEAD: Petition of Veterans of Foreign Wars, Department of the State of New York, supporting House Joint Resolution 213; to the Committee on the Judiciary.

7936. Also, resolutions adopted by Veterans of Foreign Wars, Department of New York, re the naturalization of aliens; to the Committee on Immigration and Naturalization.

7937. Also, resolutions adopted by the New York State Association, Letter Carriers, supporting the Dale-Lehlbach retirement bill; to the Committee on the Civil Service.

7938. Also, resolutions adopted by the Pennsylvania State Camp, Patriotic Order Sons of America, re immigration and naturalization; to the Committee on Immigration and Naturalization.

SENATE

TUESDAY, December 11, 1928

(Legislative day of Monday, December 10, 1928)

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

SENATOR FROM INDIANA

The VICE PRESIDENT laid before the Senate the credentials of ARTHUR R. ROBINSON, chosen a Senator from the State of Indiana for the term commencing March 4, 1929, which were read and ordered to be placed on file, as follows:

STATE OF INDIANA,
EXECUTIVE DEPARTMENT.

To all to whom these presents shall come, greeting:

Whereas it has been certified to me by the proper authority that ARTHUR R. ROBINSON has been elected to the office of Senator of the United States from the State of Indiana:

Therefore, know ye, that in the name and by the authority of the State aforesaid I do hereby certify that the said ARTHUR R. ROBINSON was duly elected for the term of six years from the 4th day of March, 1929, until his successor shall have been elected and qualified.

In witness whereof I have hereunto set my hand and caused to be affixed the seal of the State at the city of Indianapolis this 27th day of November, A. D. 1928, the one hundred and eleventh year of the State, and of the independence of the United States the one hundred and fifty-second.

By the governor:

ED JACKSON.

[SEAL.]

F. E. SCHORTEMEIER,
Secretary of State.

SENATOR FROM ARIZONA

Mr. HAYDEN presented the credentials of HENRY F. ASHURST, chosen a Senator from the State of Arizona for the term commencing March 4, 1929, which were read and ordered to be placed on file, as follows:

STATE OF ARIZONA,
OFFICE OF THE SECRETARY.

UNITED STATES OF AMERICA,

State of Arizona, ss:

I, James H. Kerby, secretary of state, do hereby certify that in accordance with the provisions of chapter 20, Laws of Arizona, 1925, results of the official canvass of the returns of the votes cast at the general election held in the State of Arizona on November 6, 1928, as certified to by all the boards of supervisors of the several counties, show that HENRY F. ASHURST, who was the Democratic candidate for the office of United States Senator, received the highest number of votes cast for any candidate for this office, and having complied with all the provisions relating to the filing of statements of campaign expenses and having complied with all other requirements imposed by law upon candidates for office is therefore declared elected, all of which is shown by the original returns on file in this department.

In witness whereof I have hereunto set my hand and affixed the great seal of Arizona.

Done at Phoenix, the capital, this 26th day of November, A. D. 1928.

[SEAL.]

JAMES H. KERBY,
Secretary of State.

VISIT OF PRESIDENT-ELECT HOOVER TO PERU

The VICE PRESIDENT laid before the Senate a cablegram from the President of the National Chamber of Deputies of Peru, which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

[Translation]

DECEMBER 5, 1928.

His Excellency Mr. CHARLES E. DAWES,

President of the United States Senate,
Washington, D. C.:

The National Chamber of Deputies of Peru in its session of yesterday, at the instance of the Chair, unanimously approved the following motion on the order of the day:

The National Deputies, who sign below, considering

That the good-will voyage which the President elect of the United States of North America is making to the republics of the continent evinces the interest felt by that distinguished statesman in familiarizing himself with the conditions and problems of the different peoples of America:

That this laudable effort to acquire in person a clear vision and correct conception of our true conditions in order to base thereon the international action of his Government and the influence of his people is an augury of efficiency as well as an example ever worthy of imitation by all statesmen who assume the responsibility of governing a people such as that of the United States;

That the interdependence of peoples is growing ever stronger and closer through the effect of modern means of communication which by eliminating all differences have overcome even geographical frontiers;

That the postulates of the new jurisprudence, in establishing the necessity of harmony and cooperation, require, together with that respect for justice which is absolutely necessary, knowledge of the special means and resources of each people for the accomplishment of its ends;

That these ideals, on which Peru has always based her international life, constitute the permanent essence of the ideal of liberty which presided over the birth of our countries, and determine, on the free soil of America, the providential destiny in accordance with which a new human civilization is rising on its soil, which is free from stain;

Have the honor to submit to the consideration of the Chamber the following motion on the order of the day;

The National Chamber of Deputies resolves

To express to His Excellency Mr. Herbert Clark Hoover, President elect of the United States of North America, its high appreciation on the occasion of his visit to this country;

Applauds the praiseworthy purposes inspiring his tour through the other republics of the continent; and

Resolves at the same time to express to the people of the United States, through their national representatives, the satisfaction of Peru at this tour, which can not fail to be of advantage for the solidarity and greatness of America.

C. MANCHEGO MUNOZ,
FRANCISCO GRANA,
CARLOS A. OLIVARES,
GUILLERMO REY,
LAMA MARIANO ALVAREZ,
EDUARDO C. BASADRE.

LIMA, December 3, 1928.

In carrying out the resolution of the Chamber of Deputies, I take pleasure in conveying to the Federal Senate of your great Republic the sentiments of cordial friendship which animate Peru toward your great Nation, the champion of democracy, and to express to it our sincere admiration for the gigantic effort with which she contributes to the well-being and the progress of the world.

I feel it an honor to offer to your excellency, on so significant an occasion, the assurance of my highest consideration.

C. MANCHEGO MUNOZ,

President of the National Chamber of Deputies of Peru.

PETITIONS

Mr. EDGE presented the petition of Albert W. Harrison, jr., and sundry other members of the Broad Street Park Methodist Episcopal Church, of Trenton, N. J., praying for prompt ratification of the so-called multilateral treaty for the renunciation of war, which was referred to the Committee on Foreign Relations.

He also presented a resolution unanimously adopted by the Kiwanis Club, of Atlantic City, N. J., favoring the ratification of the so-called multilateral treaty for the renunciation of war, which was referred to the Committee on Foreign Relations.

Mr. McLEAN presented a letter in the nature of a petition from the Department of Connecticut Woman's Relief Corps, Danielson, Conn., praying for the adoption of the proposed naval building program, which was referred to the Committee on Naval Affairs.

He also presented petitions and letters in the nature of petitions from the Connecticut League of Women Voters, of Hartford; the League of Republican Women, of Meriden; the Connecticut Woman's Christian Temperance Union, of Bristol; and sundry citizens of Portland and Wilton, all in the State of Connecticut, praying for the passage of the so-called Gillett resolution (S. Res. 139) suggesting a further exchange of views relative to the World Court, which were referred to the Committee on Foreign Relations.

He also presented petitions and papers in the nature of petitions from the Northwest Child Welfare Club, of Hartford; the Woman's Foreign Missionary Society, of Meriden; the Republican Woman's Club, of Westport; the Connecticut League of Women Voters; the Connecticut section of the National Committee on the Cause and Cure of War; the State Federation of Men's Bible Classes; the Current Events Club, of Hartford; the faculty of Wilby High School and the Bunker Hill Literary Club, both of Waterbury; and members of the Church of the Holy Trinity, of Middleton, and the Community Congregational Church, of Eastford, all in the State of Connecticut, praying for the prompt ratification of the so-called multilateral treaty for the renunciation of war, which were referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

Mr. KEYES, from the Committee on Public Buildings and Grounds, to which was referred the bill (S. 4739) authorizing the Secretary of the Treasury to sell certain Government-owned land at Manchester, N. H., reported it without amendment and submitted a report (No. 1340) thereon.

Mr. BINGHAM, from the Committee on Territories and Insular Possessions, to which was referred the joint resolution (S. J. Res. 172) for the relief of Porto Rico, reported it with amendments and submitted a report (No. 1341) thereon.

ENROLLED BILL PRESENTED

Mr. GREENE, from the Committee on Enrolled Bills, reported that on December 11, 1928, that committee presented to the President of the United States the enrolled bill (S. 3171) providing for a Presidents' plaza and memorial in the city of Nashville, State of Tennessee, to Andrew Jackson, James K. Polk, and Andrew Johnson, former Presidents of the United States.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. EDGE:

A bill (S. 4828) to grant relief to those States which brought State-owned property into the Federal service in 1917; to the Committee on Claims.

By Mr. HALE:

A bill (S. 4829) granting an increase of pension to Susan I. Brown (with accompanying papers); to the Committee on Pensions.

By Mr. PITTMAN:

A bill (S. 4830) granting an increase of pension to Clarence E. Carpenter; to the Committee on Pensions.

By Mr. BINGHAM:

A bill (S. 4831) to exempt officers and employees of Alaska and Hawaii from the payment of income tax; to the Committee on Finance.

By Mr. BAYARD:

A bill (S. 4832) granting an increase of pension to Maggie Albert (with accompanying papers); and

A bill (S. 4833) granting an increase of pension to Amanda E. Gray (with accompanying papers); to the Committee on Pensions.

By Mr. SCHALL:

A bill (S. 4834) authorizing appropriations for demonstrating plants in the utilization of waste products from the land; to the Committee on Manufactures.

By Mr. NEELY:

A bill (S. 4835) granting an increase of pension to John J. Hughes; to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 4836) for the relief of John P. T. Davis (with accompanying papers); to the Committee on Military Affairs.

By Mr. SHIPSTEAD:

A bill (S. 4837) granting a pension to Annie Benton (with accompanying papers); and

A bill (S. 4838) granting a pension to Albert Schrank (with accompanying papers); and

A bill (S. 4839) granting an increase of pension to Emille Sipple (with accompanying papers); to the Committee on Pensions.

By Mr. BROUSSARD:

A bill (S. 4840) to recognize commissioned service as active commissioned service while on the retired list in determining rights of officers of the Regular Army; to the Committee on Military Affairs.

By Mr. McNARY:

A bill (S. 4841) establishing a fund for the propagation of salmon in the Columbia River district; to the Committee on Commerce.

By Mr. BLACK:

A bill (S. 4842) to provide for the suspension of immigration of aliens into the United States; to the Committee on Immigration.

By Mr. JOHNSON:

A bill (S. 4843) granting employees' compensation to the next of kin of R. E. Covert (with accompanying papers); to the Committee on Claims.

A bill (S. 4844) granting compensation to Charles C. Terry; to the Committee on Finance.

A bill (S. 4845) for the relief of Hobart M. Hicks (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 4846) granting an increase of pension to Carrie S. Baxter (with accompanying papers); and

A bill (S. 4847) granting an increase of pension to Katherine French (with accompanying papers); to the Committee on Pensions.

RECONSTRUCTION OF SENATE WING OF THE CAPITOL

Mr. McNARY. I ask unanimous consent to introduce a Senate joint resolution, and ask that it be referred to the Committee on Appropriations and read at the desk by the clerk.

The VICE PRESIDENT. Without objection, the joint resolution will be received and read.

The joint resolution (S. J. Res. 176) to suspend the operation of the provisions of the legislative appropriation act for the fiscal year ending June 30, 1929, authorizing the reconstruction of the Senate wing of the Capitol was read the first time by its title and the second time at length, as follows:

Resolved, etc., That the Architect of the Capitol is directed to report to the Senate at the beginning of the first regular session of the Seventy-first Congress upon the efficacy of the air-conditioning apparatus installed in the Hall of the House of Representatives. Until January 1, 1930, no further action shall be taken under the provisions of the second paragraph under the caption "Capitol Buildings and Grounds" in the act entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1929,

and for other purposes," approved May 14, 1928, authorizing the rearrangement and reconstruction of the Senate wing of the Capitol and making an appropriation therefor, except that the appropriation made by such paragraph shall remain available for payment for work done and materials furnished prior to the approval of this resolution and for payment of damages, if any, suffered by reason of the suspension of the work under any contract made pursuant to such paragraph prior to such approval.

Mr. SMOOT. Mr. President, I desire to ask if there was a reference made of the joint resolution?

Mr. OVERMAN. What was done with that joint resolution?

Mr. SMOOT. I am just asking what action was taken by way of reference of the joint resolution.

The PRESIDING OFFICER (Mr. McNARY in the chair). Inasmuch as the original legislation came from the Committee on Appropriations, it is the opinion of the present occupant of the chair that it should be there referred.

Mr. OVERMAN. I move that the joint resolution be referred to the Committee on Rules, inasmuch as this whole question is now before our committee. It had the matter up on last Saturday, and is to consider it again next Saturday. The subject is before that committee, and I move that the joint resolution be sent to the Committee on Rules.

The PRESIDING OFFICER. If there is no objection, the joint resolution will be referred to the Committee on Rules.

COLORADO RIVER INVESTIGATIONS (S. DOC. NO. 186)

Mr. ODDIE. Mr. President, I have here a document that has been prepared by Mr. George W. Malone, of whom I spoke a few days ago.

This work has been prepared at great expense to the Nevada Colorado River Commission, with the assistance of prominent officials of the Bureau of Reclamation and United States Geologic Survey, and represents a compilation of authentic data that has been accumulated over a period of years.

This is a review of all of the reports up to the present time, and is a reference work so that for any statement made the supporting data can be found without loss of time, and really represents a "brief" of the entire proceedings in this important matter from the beginning to the present time.

The Fall-Davis report, the E. C. La Rue report, the Weymouth report, consisting of nine volumes, upon which the Government expended nearly \$400,000, the Arizona Engineering Commission report, the various congressional hearings, and lastly the Colorado River Board report, only recently rendered to the Secretary of the Interior, have been reviewed and referenced, not with an idea of supporting any particular set-up but so that all of this important data may be immediately available to the Members of Congress working on this important piece of legislation.

Mr. Malone is, as I have previously said, State engineer of Nevada and president of the Western Association of State Engineers, comprising 17 Western States, and is a particularly able man in matters of this kind.

Mr. President, I therefore request that this work, entitled "Colorado River Investigations, Water Storage and Power Development, Grand Canyon to Imperial Valley," be printed as a Senate document, with illustrations, so that the Members of this body may have the benefit of the referenced work.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada? The Chair hears none, and the papers will be printed as a Senate document.

PROHIBITION ENFORCEMENT

Mr. BLEASE. Mr. President, I find the following clipping in this morning's Washington Post.

I desire to have it printed in connection with article inserted on page 158 of the CONGRESSIONAL RECORD of December 6.

Also, I desire to have inserted a clipping from the Greenville (S. C.) News of December 10, 1928.

It seems while the United States Government is protecting the Christmas whiskies of foreigners the South Carolina officials are endeavoring to enforce the law against home folks.

Why not enforce the law impartially to all the people?

I favor a strict enforcement of the Volstead Act and eighteenth amendment by both Government and State officials.

There being no objection, the clippings were ordered to be printed in the RECORD, as follows:

[From the Washington Post, December 11, 1928]

LIQUORS FOR ENVOYS RESCUED IN HOLDUP—DRIVER FIGHTS TWO HIJACKERS AT BALTIMORE—TWO CAPITAL MEN ARRESTED

Christmas cheer for half a dozen diplomatic missions here was imperiled yesterday when four hijackers tried to steal a truck load of rare liquors and wines destined for embassies and legations, as it was being transferred in Baltimore from the pier to the customhouse.

Two of the three alleged hijackers who were arrested later said they were from Washington. They were John Herbert, who said he lived at 1708 Good Hope Road SE., and Howard Dublen, who refused to give police his street address.

The cargo of the truck was valued at about \$10,000 and was saved by Carroll Poole, the driver, who, after he had been beaten over the head with a pistol, continued to fight the hijackers until a crowd of citizens gathered and frightened them off.

[From the Greenville (S. C.) News, December 10, 1928]

SEVEN HUNDRED AND FIFTY-ONE STILLS CUT BY GOVERNOR'S FORCE

COLUMBIA, December 9.—Seven hundred and fifty-one stills were destroyed by the detectives operating under the governor's office between January 1 and November 1, according to a report issued from the office of Governor Richards yesterday, covering the activities of the State constabulary for the first 10 months of the year.

The report also shows the following facts: Beer destroyed, 1,066,470 gallons; whisky poured out, 36,222 gallons; home brew destroyed, 16,529 gallons; automobiles confiscated, 61; arrests made, 1,376; investigations made, 1,342; slot machines confiscated, 124; wagons confiscated, 21; mules or horses confiscated, 22; cases made against offenders, 1,329; convictions secured, 769; cases pending, 196.

The report does not, it says, cover the activities of two of the governor's constables who have worked on murder and arson cases almost exclusively.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 10760. An act to authorize the settlement of the indebtedness of the Hellenic Republic to the United States of America and of the differences arising out of the tripartite loan agreement of February 10, 1918; and

H. J. Res. 340. Joint resolution to authorize the Secretary of the Treasury to cooperate with the other relief creditor governments in making it possible for Austria to float a loan in order to obtain funds for the furtherance of its reconstruction program, and to conclude an agreement for the settlement of the indebtedness of Austria to the United States.

HOUSE BILL AND JOINT RESOLUTION REFERRED

The following bill and joint resolution were each read twice by title and referred to the Committee on Finance:

H. R. 10760. An act to authorize the settlement of the indebtedness of the Hellenic Republic to the United States of America and of the differences arising out of the tripartite loan agreement of February 10, 1918; and

H. J. Res. 340. Joint resolution to authorize the Secretary of the Treasury to cooperate with the other relief creditor governments in making it possible for Austria to float a loan in order to obtain funds for the furtherance of its reconstruction program, and to conclude an agreement for the settlement of the indebtedness of Austria to the United States.

BOULDER DAM

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 5773) to provide for the construction of works for the protection and development of the lower Colorado River Basin, for the approval of the Colorado River compact, and for other purposes.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Colorado [Mr. PHIPPS] to the amendment of the Senator from Arizona [Mr. HAYDEN] to the substitute amendment of the Senator from California [Mr. JOHNSON].

Mr. WALSH of Montana. Mr. President, may the clerk state the various amendments, starting with the amendment of the Senator from California?

The VICE PRESIDENT. The amendments will be stated.

The CHIEF CLERK. On December 5 the Senator from California [Mr. JOHNSON] moved to substitute the House bill for the Senate bill, which was done, and thereafter offered as a substitute amendment the Senate bill (S. 728) as printed. To that amendment the Senator from Arizona [Mr. HAYDEN] offered an amendment to section 4-A, and on yesterday the Senator from Colorado [Mr. PHIPPS] offered an amendment to the amendment of the Senator from Arizona to the substitute offered by the Senator from California.

Mr. ASHURST. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	George	McMaster	Shortridge
Barkley	Gillett	McNary	Simmons
Bayard	Glass	Metcalf	Smith
Bingham	Glenn	Moses	Smoot
Black	Goff	Neely	Steck
Blaine	Greene	Norris	Steiwer
Blease	Hale	Nye	Stephens
Borah	Harris	Oddie	Swanson
Bratton	Harrison	Overman	Thomas, Idaho
Brookhart	Hawes	Phipps	Trammell
Broussard	Hayden	Pine	Tydings
Bruce	Heflin	Pittman	Tyson
Capper	Johnson	Ransdell	Vandenberg
Caraway	Jones	Reed, Mo.	Wagner
Couzens	Kendrick	Reed, Pa.	Walsh, Mass.
Curtis	Keyes	Robinson, Ark.	Walsh, Mont.
Deneen	King	Robinson, Ind.	Warren
Edge	Larrazolo	Sackett	Waterman
Edwards	Locher	Schall	Watson
Fess	McKellar	Sheppard	Wheeler
Frazier	McLean	Shipstead	

Mr. NORRIS. I desire to announce that my colleague the junior Senator from Nebraska [Mr. HOWELL] is unavoidably detained by illness.

Mr. WAGNER. I wish to announce that my colleague the senior Senator from New York [Mr. COPELAND] is necessarily detained by illness in his family.

Mr. SHEPPARD. My colleague the junior Senator from Texas [Mr. MAYFIELD] is unavoidably detained on account of illness. This announcement may stand for the day.

The VICE PRESIDENT. Eighty-three Senators having answered to their names, a quorum is present.

Mr. HAYDEN. Mr. President, I should like to have the attention of the Senate, that I may discuss the parliamentary situation as it exists and what I may do, if possible, to remedy it, in order that the amendment offered by the Senator from Colorado [Mr. PHIPPS] may be perfected.

As I understand the situation, the amendment offered by the Senator from Colorado [Mr. PHIPPS] is an amendment in the second degree, an amendment to the amendment which I have offered, and therefore not subject to amendment. The Senator's amendment contains three substantive propositions, upon which there is a difference of opinion between the States of Arizona and California, and we must vote upon all of them as one if his amendment is not subject to amendment. But if the Senator's amendment could be made subject to amendment the Senate could vote upon the various propositions separately. For example, the Senator has taken from another part of the bill a provision that the State of California shall have 4,600,000 acre-feet of water on the Colorado River. Arizona agrees that the State of California shall have 4,200,000 acre-feet of water.

I desire it arranged so that the Senate may vote upon the question of whether it shall be one figure or the other.

I should like to inquire of the President of the Senate, whether, if I should withdraw the amendment which I have offered, would then the amendment offered by the Senator from Colorado be an amendment in the second degree and subject to amendment?

The VICE PRESIDENT. Will the Senator state his question again?

Mr. HAYDEN. If I should withdraw the amendment which I have offered, to which the amendment of the Senator from Colorado is a substitute, will his amendment then be an amendment in the first degree and subject to amendment?

The VICE PRESIDENT. The amendment of the Senator from Colorado would have to go along with the amendment of the Senator from Arizona if the Senator from Arizona withdraws his amendment.

Mr. HAYDEN. Would it not then be possible for the Senator from Colorado to immediately reoffer his amendment?

The VICE PRESIDENT. The Senator from Colorado could do that.

Mr. HAYDEN. I want to state to the Senate that what I am trying to accomplish is to get a vote on the one particular question of whether the quantity of water which the State of California may divert from the Colorado River should be 4,200,000 acre-feet or 4,600,000 acre-feet. I can state in 15 or 20 minutes all the reasons why Arizona favors the lesser figure, and then the Senate may have a vote upon that question.

Mr. PHIPPS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. PHIPPS. I desire to call attention to the fact that 4,600,000 acre-feet was the figure adopted by the Senate committee and was written in the substitute bill offered by the Senator from California [Mr. JOHNSON]. Therefore it seems to me that the point comes right down to the question of 4,600,000 acre-feet as recommended by the Senate committee

and 4,200,000 acre-feet as written in the amendment of the Senator from Arizona.

Mr. HAYDEN. And upon that particular issue and upon nothing else I desire to have a vote of the Senate at this time.

Mr. PHIPPS. The other item that is in the amendment to which the Senator calls attention, as I understand, is the provision regarding the Federal Power Commission. That is the only other matter, is it not?

Mr. HAYDEN. My amendment as originally offered provides for a 7-State ratification of the Colorado River compact. The Senator from Colorado in his amendment provides for a 6-State ratification. That is another question upon which I should like to have the Senate take a vote. If the Senate will bear with me for a moment, I desire to say that it is only fair to the State of Arizona that the several substantive propositions which are contained in the amendment of the Senator from Colorado and in my amendment be voted upon, each upon its own merits by the Senate, and not grouped together in one particular amendment. If I am privileged to do so, Mr. President, I withdraw, without prejudice, the amendment I have offered.

The VICE PRESIDENT. The Senator has that right. The amendment of the Senator from Arizona to the so-called Johnson amendment is withdrawn.

Mr. HAYDEN. Now, if the Senator from Colorado [Mr. PHIPPS] will again offer his amendment just as it is, we can proceed to debate it, to amend it, and to vote upon it.

Mr. PHIPPS. Mr. President, I understand the Senator from Arizona has withdrawn his amendment. I desire again to offer my amendment as it is now before the Senate.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. PHIPPS].

Mr. HAYDEN. I offer the following amendment to the amendment offered by the Senator from Colorado.

Mr. SMOOT. Let the amendments be now read.

The VICE PRESIDENT. The clerk will state the amendment of the Senator from Colorado and the amendment of the Senator from Arizona to the substitute amendment.

The CHIEF CLERK. On page 4 it is proposed to strike out all of lines 22 to 25, inclusive, and on page 5 to strike out lines 1 to 14, inclusive, and to insert in lieu thereof the following:

SEC. 4 (a). This act shall not take effect and no authority shall be exercised hereunder and no work shall be begun and no moneys expended on or in connection with the work or structures provided for in this act, and no water rights shall be claimed or initiated hereunder, and no steps shall be taken by the United States or by others to initiate or perfect any claims to the use of water pertinent to such works or structures unless and until (1) the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming shall have ratified the Colorado River compact, mentioned in section 12 hereof, and the President, by public proclamation, shall have so declared, or (2) if said States fail to ratify the said compact within one year from the date of the passage of this act then, until six of said States, including the State of California, shall ratify said compact and shall consent to waive the provisions of the first paragraph of Article XI of said compact, which makes the same binding and obligatory only when approved by each of the seven States signatory thereto, and shall have approved said compact without conditions save that of such 6-State approval, and the President by public proclamation shall have so declared, and, further, until the State of California, by act of its legislature, shall agree with the United States and for the benefit of the States of Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming, as an express covenant and in consideration of the passage of this act, that the aggregate annual consumptive use (diversions less returns to the river) of water of and from the Colorado River for use in the State of California, including all uses under contracts made under the provisions of this act and all water necessary for the supply of any rights which may now exist, shall not exceed 4,600,000 acre-feet of the waters apportioned to the lower basin States by the Colorado River compact, plus not more than one-half of any excess or surplus waters unapportioned by said compact, such uses always to be subject to the terms of said compact.

On page 6, strike out line 25, and on page 7, lines 1 to 8, inclusive, and insert in lieu thereof the following: "permanent service and shall conform to paragraph (a) of section 4 of this act. No person shall."

On page 12, after line 14, add the following paragraph to section 6:

"The Federal Power Commission is hereby directed not to issue or approve any permits or licenses under said Federal water power act upon or affecting the Colorado River or any of its tributaries in the States of Colorado, Wyoming, Utah, New Mexico, Nevada, Arizona, and California until this act shall become effective, as provided in section 4 herein."

Mr. HAYDEN. I have offered an amendment to amendment proposed by the Senator from Colorado, which I ask the clerk to read.

The VICE PRESIDENT. The Chief Clerk will state the amendment to the amendment.

The CHIEF CLERK. The amendment of Mr. HAYDEN to the amendment offered by Mr. PHIPPS is, on page 3, line 2, to strike out the words "four million six" and to insert "four million two."

Mr. HAYDEN. Mr. President, I shall now explain the reasons why my amendment to the amendment should be adopted. When I shall have made that explanation the Senate may vote upon the question, so far as I am concerned.

The amendment I have offered is predicated upon a finding made by four governors—the Governors of Colorado, New Mexico, Wyoming, and Utah—at a conference held in the city of Denver during the summer of 1927. At that conference, which was called in the kindest spirit by the governors of the States of the upper basin in a sincere effort to bring about an amicable adjustment of the dispute which has existed between the States of Arizona and California in the lower basin with respect to water and other issues, the governors requested each State to put down upon paper how much water it desired to receive from the Colorado River.

The State of Nevada advised the governors that out of the 7,500,000 acre-feet allocated to the lower basin by the Colorado River compact that State desired only 300,000 acre-feet.

The State of Arizona then said that she was perfectly willing that Nevada should have 300,000 acre-feet and that she would divide equally with the State of California the remainder of the water. A division of that character would give to California 3,600,000 acre-feet and to Arizona 3,600,000 acre-feet.

The State of California advised the governors that its necessities were such that it must have 4,600,000 acre-feet of water, and, based upon the plea of necessity—and that was all the argument presented—they asked for that quantity of water.

The four governors took the three proposals under advisement, and, after careful and mature consideration, proposed that the quantity of water requested by the State of Arizona be reduced from 3,600,000 acre-feet to 3,000,000 acre-feet. They made that decision after a careful study of the total quantity of water now in use in each of the States of Arizona and California. They found that vested rights had to be respected, and came to the conclusion that California was now using 600,000 acre-feet more water than Arizona. Therefore they recommended that Arizona's demand be reduced by 600,000 acre-feet and that California be allotted an additional 600,000 acre-feet. So the finding of the governors was—and there is no dispute about it—that the State of California is only entitled to 4,200,000 acre-feet of water out of the Colorado River; that that is the quantity which she should receive. All other questions relative to tributaries and all other issues raised have no relation whatever to that one finding of fact by four governors, who, after weeks of study and after careful consideration of all of the evidence, arrived at that conclusion.

Be it remembered by all Senators that the State of Arizona accepted that finding and agreed to take only 3,000,000 acre-feet of water out of the Colorado River instead of 3,600,000 acre-feet which was its original demand, whereas the State of California refused to accept that finding and still insists upon 4,600,000 acre-feet of water.

The State of Arizona asserts in this presence that the Governors of the States of Wyoming, Colorado, Utah, and New Mexico were better advised than the Senate of the United States can ever possibly be, and knew more about the entire situation than the Senate can ever know. They were interested in a proper solution of the controversy; it affected their State; they were anxious to bring the States of the lower basin together. They made that finding, and upon that finding the State of Arizona stands here to-day and asks that it be approved by the Senate of the United States.

The argument which has been advanced as to why the State of California should be given 4,600,000 acre-feet of water instead of 4,200,000 acre-feet, as recommended by the four governors, is that the State of California needs that much water. For what purpose does that State need it? There can be only two purposes, namely, irrigation and domestic use. I shall concede every figure that the Senator from California [Mr. JOHNSON] has placed in the RECORD with respect to irrigation uses in California; every figure of that kind may be conceded; but I do not concede that the city of Los Angeles and the municipalities in southern California, who are asking for 1,095,000 acre-feet of water, need that much water or will need it for a hundred years.

I shall prove that statement by pamphlets which have been presented to every Senator in this body, issued by the bureau of water and power of the city of Los Angeles. That is the bureau which proposes to build a great aqueduct to carry water from the Colorado River to the city of Los Angeles. In a pamphlet entitled "The River of Destiny," issued this year by

the department of water and power of the city of Los Angeles, we find this statement:

As planned by Mulholland—

That is the city engineer—

the Colorado River aqueduct will be by far the largest domestic water-supply system in the world. It will be 260 miles long and will be capable of delivering 1,000,000,000 gallons of water a day to the cities of southern California, enough to meet the domestic and industrial needs of 7,500,000 people.

There is in Los Angeles and vicinity now a population of less than 2,000,000. It is proposed to provide a water supply for seven and one-half million people in addition thereto.

From another pamphlet issued by the bureau of water and power of the city of Los Angeles entitled "The Romance of Water and Power," a pamphlet which was issued very recently, I find this statement:

When Los Angeles in 1913 completed its Owens River aqueduct the people of this city confidently believed they had solved their domestic water problem for generations to come. This great artificial waterway is capable of supplying the needs of 2,000,000 people.

In other words, the city of Los Angeles now has a water supply for 2,000,000 people, and there are not a total of 2,000,000 people drawing water from that supply to-day. I understand that the number is approximately one million and a half.

This pamphlet further states:

With a capacity of 400 second-feet, the Owens River Aqueduct is capable of meeting the water needs of 2,000,000 people—

That is the present water supply—

the Colorado River carrier will have a capacity of 1,500 second-feet and will be able to supply 7,500,000 people with domestic water.

The evidence, therefore, is undisputed that what the city of Los Angeles is seeking to obtain is a water supply for seven and a half million people. The population of the city of Los Angeles in the past 15 years has increased 1,000,000, and if it should increase at the same rate it would require over 100 years for seven and a half million more people to live in that locality. In this bill the city of Los Angeles is asking to be guaranteed a water supply for the next century and more, because if the rate of growth is the same as it has been in the past 15 years it will take 112 years for seven and one-half million more people to move to Los Angeles.

If the amount of water provided in this bill is reduced by 400,000 acre-feet, as my amendment proposes, it will still leave an adequate water supply for 5,000,000 people in addition to the number of people who now live in Los Angeles. We in Arizona say that that is enough. According to the present rate of growth, it will take at least 75 years for that increase of population to be accomplished. If the quantity of water is reduced, as proposed in my amendment, the city of Los Angeles will still have guaranteed to it under the terms of the Colorado River compact and by this bill enough water for 5,000,000 more people than now live in that city. Then, 50 or 75 years from now, if the question should arise as to a need for domestic water in the city of Los Angeles, that city would be faced with the same situation that it has once before met. It would be necessary somewhere, at some place, for the State of California to acquire water rights that are used for irrigation and apply them to domestic use.

The city of Los Angeles constructed an aqueduct to the Owens River Valley, an irrigated valley. Water was needed by the city for domestic use. That is a superior use to that of irrigation. The city acquired water rights there by purchase and by condemnation. It now uses that water, conveying it through an aqueduct from the Owens River Valley to the city of Los Angeles. If, 50 or 75 years from now, after 5,000,000 more people have gone to live in Los Angeles, they arrive at a similar situation, the city must again condemn some irrigation water rights for domestic use. They will be met with the same situation after they have an additional seven and a half million people in Los Angeles.

If the city continues to grow and becomes the greatest metropolis in all the world—greater than the combined population of London and New York, as some of the enthusiastic citizens of that locality believe it may—they will be compelled, in order to obtain water for a city of that great magnitude, to condemn irrigation water rights, because that is the only place where water can be obtained.

The effect of this bill is, by taking 400,000 acre-feet of water away from the State of Arizona and reserving it for 50 or more years for the city of Los Angeles, that a hundred thousand acres of land which otherwise could be irrigated in Arizona will

be compelled to remain a desert. Arizona can use the water. We have the land. We can place it to beneficial use and provide homes, farms, for American citizens for use for 50 years at least before the city of Los Angeles needs the water. We can use it to excellent advantage. The city of Los Angeles insists that the water shall be reserved for it. Arizona says that if the time comes, after more than 5,000,000 people have been added to the population of the city of Los Angeles, when the city needs more water, let it condemn irrigated land in the State of California, as it has a right to do under the laws of that State, and acquire that water, and not in advance condemn an area of a hundred thousand acres in the State of Arizona to remain a desert.

That is the simple proposition that is presented to the Senate by this amendment.

In reply to the argument made by the senior Senator from California [Mr. JOHNSON] that the State of Arizona could not use the total quantity of water which it asks to secure, let me state that the Senator's statement is a bald assertion, and that I assert, just as the Senator asserted, with equal vehemence, that the State of Arizona can use it, and that back of my assertion I have just as good engineering authority as the Senator has.

The Senator was very careful in his remarks to limit the pump lift for irrigation in Arizona or California to 150 feet; and yet the Senate yesterday passed a bill for an investigation of the Columbia Basin project, which contemplates as one alternative the lifting of water 450 feet out of the Columbia River at Grand Coulee. I have here a report by Gen. George W. Goethals, who examined into the two projects, and he did not find \$10 an acre difference in the cost between the pumping scheme at Grand Coulee and the delivery of water to the Columbia Basin project by gravity. In addition thereto, a majority of a board of engineers appointed under authority of the Federal water power act has found that the pumping scheme at Grand Coulee to lift water over 400 feet is more economical and more feasible than to deliver water to lands within the Columbia Basin project by gravity.

Will anyone say that lands in the State of Washington are more fertile than those in the State of Arizona? Will anyone say that in the State of Washington they have a longer growing season than we have in Arizona? It takes two things to produce crops in an irrigated country—water and sunshine. Everyone knows that there are more days when the sun shines in Arizona than anywhere else in the American Union.

That is the reason why, every month in the year, crops can be produced from the ground in the State of Arizona.

So there is no merit at all in the argument made by the Senator from California that the State of Arizona can not use this water. We can use it. Arizona can use all of the water of the Colorado River. Arizona has never asked for more than half of it; and then, at the insistence of the governors of the upper-basin States, Arizona agreed to accept less than half. Therefore we ask the Senate not blindly to follow the mere demand of the State of California, but to be guided by the advice of the governors of four States intimately familiar with irrigation conditions, who have found that the State of California was not entitled to more than 4,200,000 acre-feet of water, as stated in my amendment. That is the position of Arizona on this issue, and I submit it to the Senate.

So far as I am concerned, the Senate may vote now on that question.

Mr. PHIPPS. Mr. President, I merely want to say one word, so that the position of the Committee on Irrigation and Reclamation may be understood.

All of the points referred to by the Senator from Arizona [Mr. HAYDEN] were given full consideration by that committee. As Senators know, the hearings extended over three or four years at least, and months of study were given to this very problem; and the figure of 4,600,000 acre-feet awarded to California is the figure recommended by that committee.

The VICE PRESIDENT. The question is on the amendment of the Senator from Arizona [Mr. HAYDEN] to the amendment of the Senator from Colorado [Mr. PHIPPS].

Mr. BRATTON. I call for the yeas and nays on the amendment of the Senator from Arizona.

Mr. KING. Mr. President, I do not desire to discuss the question just presented, and ably presented, by the Senator from Arizona [Mr. HAYDEN]. I rise rather for a parliamentary inquiry, if I may have the attention of the Senator from Colorado.

The inquiry is this: What parliamentary procedure may be resorted to, in view of the parliamentary status now, in order to secure a vote upon the single proposition that the ratification shall be by the seven States, with no alternative?

Mr. HAYDEN. Mr. President, if the Senator will yield to me, I think the parliamentary situation is perfectly simple.

I have withdrawn my amendment; and the amendment which the Senate now has under consideration is the amendment of the Senator from Colorado [Mr. PHIPPS], which has been reoffered, and is subject to amendment. I have offered an amendment to that amendment changing the quantity of water that shall be apportioned to the State of California. That is all I have done at this time. There are other propositions in that amendment that are subject to amendment, of course.

Mr. KING. I thought the Senator had offered an amendment which would preclude a vote upon the one proposition as to whether or not the compact should be ratified by seven States.

Mr. HAYDEN. I have distinctly stated to the Senate that I desire a vote upon that issue when we reach it.

Mr. ASHURST. I call for the yeas and nays.

Mr. HEFLIN. Mr. President, as I understand, the vote now is on the amendment of the Senator from Arizona [Mr. HAYDEN] to the amendment of the Senator from Colorado [Mr. PHIPPS].

Mr. HAYDEN. Yes, sir.

Mr. ASHURST. Let us have the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. TYDINGS (when his name was called). On this vote I have a pair with the senior Senator from Ohio [Mr. FESS]. If he were present and permitted to vote, he would vote "nay." If I were permitted to vote, I would vote "yea."

The roll call was concluded.

Mr. BLAINE. I desire to announce that my colleague [Mr. LA FOLLETTE] is unable to be present to-day. He is paired with the Senator from Mississippi [Mr. HARRISON].

Mr. McMASTER. I desire to announce that my colleague [Mr. NORBECK] is unavoidably absent. If present, he would vote "nay."

Mr. HARRISON. On this vote I am paired with the senior Senator from Wisconsin [Mr. LA FOLLETTE]. If he were present, I understand he would vote "nay." If permitted to vote, I would vote "yea."

Mr. ROBINSON or Arkansas. I desire to announce that the senior Senator from New York [Mr. COPELAND] is necessarily detained from the Senate on account of illness in his family. He is paired on this amendment with the senior Senator from Rhode Island [Mr. GERRY].

I also desire to announce that the senior Senator from Florida [Mr. FLETCHER] and the junior Senator from Florida [Mr. TRAMMELL] and the junior Senator from Washington [Mr. DILL] are necessarily absent on official business.

The result was announced—yeas 29, nays 48, as follows:

YEAS—29

Asburst	Glass	McKellar	Swanson
Barkley	Harris	Neely	Tyson
Black	Hawes	Overman	Wagner
Blease	Hayden	Reed, Mo.	Walsh, Mass.
Broussard	Heflin	Robinson, Ark.	Waterman
Bruce	King	Smith	
Caraway	Larrazolo	Smoot	
Edwards	Locher	Steck	

NAYS—48

Bayard	George	Moses	Sheppard
Bingham	Gillett	Norris	Shipstead
Blaine	Glenn	Nye	Shortridge
Borah	Goff	Oddie	Simmons
Bratton	Greene	Phipps	Steiwer
Brookhart	Hale	Pine	Stephens
Capper	Johnson	Pittman	Thomas, Idaho
Couzens	Jones	Ransdell	Vandenberg
Curtis	Kendrick	Reed, Pa.	Walsh, Mont.
Deneen	Keyes	Robinson, Ind.	Warren
Edge	McMaster	Sackett	Watson
Frazier	McNary	Schall	Wheeler

NOT VOTING—18

Copeland	Gerry	McLean	Trammell
Dale	Gould	Mayfield	Tydings
Dill	Harrison	Metcalf	
Fess	Howell	Norbeck	
Fletcher	La Follette	Thomas, Okla.	

So Mr. HAYDEN's amendment to Mr. PHIPPS's amendment was rejected.

The VICE PRESIDENT. The question recurs on the amendment offered by the Senator from Colorado [Mr. PHIPPS] to the substitute amendment of the Senator from California [Mr. JOHNSON].

Mr. BRATTON. Mr. President, I offer an amendment in the nature of a substitute to the amendment offered by the Senator from Colorado, and ask that it be read.

The VICE PRESIDENT. The clerk will read.

The LEGISLATIVE CLERK. On line 2, page 3, of the amendment offered by the Senator from Colorado [Mr. PHIPPS], as modified,

strike out the word "six" and insert in lieu thereof the word "four," so as to read:

SEC. 4 (a). This act shall not take effect and no authority shall be exercised hereunder and no work shall be begun and no moneys expended on or in connection with the works or structures provided for in this act, and no water rights shall be claimed or initiated hereunder, and no steps shall be taken by the United States or by others to initiate or perfect any claims to the use of water pertinent to such works or structures unless and until (1) the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming shall have ratified the Colorado River compact, mentioned in section 12 hereof, and the President by public proclamation shall have so declared, or (2) if said States fail to ratify the said compact within six months from the date of the passage of this act then, until six of said States, including the State of California, shall ratify said compact and shall consent to waive the provisions of the first paragraph of Article XI of said compact, which makes the same binding and obligatory only when approved by each of the seven States signatory thereto, and shall have approved said compact without conditions save that of such 6-State approval, and the President by public proclamation shall have so declared, and further, until the State of California, by act of its legislature, shall agree irrevocably and unconditionally with the United States and for the benefit of the States of Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming, as an express covenant and in consideration of the passage of this act, that the aggregate annual consumptive use (diversions less returns to the river) of the water of and from the Colorado River for use in the State of California, including all uses under contracts made under the provisions of this act and all water necessary for the supply of any rights which may now exist, shall not exceed 4,400,000 acre-feet of the waters apportioned to the lower basin States by the Colorado River compact, plus not more than one-half of any excess or surplus waters unapportioned by said compact, such uses always to be subject to the terms of said compact.

MR. BRATTON. Mr. President, I propose to amend the amendment of the Senator from Colorado by striking out the word "six" in line 2, on page 3, and inserting in lieu thereof the word "four," so that the language will read "shall not exceed 4,400,000 acre-feet."

Mr. President, it is perfectly obvious to all of us that we have an immense project here, respecting which the two States, California and Arizona, can not agree. The dispute has narrowed itself primarily to 400,000 acre-feet of water, California saying that 4,600,000 acre-feet is her irreducible minimum, and Arizona insisting that California shall be limited to 4,200,000 acre-feet.

If this legislation shall be effectuated, the dam constructed, and the river controlled, and the benefits designed to be accomplished by the measure given full fruition, these States must ratify the compact. In my judgment that will never be accomplished if we give to one all that she asks and deny to the other everything she seeks.

It seems to me, therefore, Mr. President, that in justice to the two States, they having been unable to agree, we should tender our offices by dividing the difference and requiring California to limit herself in her act of ratification, irrevocably and unconditionally, to a maximum consumptive use of 4,400,000 acre-feet. That divides the difference and is the amount fixed in the amendment I have proposed. It differs from the proposal of the Senator from Colorado by reducing California's claim 200,000 acre-feet. It differs from the amendment of the Senator from Arizona by increasing California's consumptive use by 200,000 acre-feet.

I believe this is an equitable solution of the problem. It may not be entirely satisfactory to either State, but in my judgment it is the best compromise that is available at this time.

MR. ASHURST. Mr. President, for years, in some portions of the press and on the floor of the Senate, Arizona has been accused of being unwilling to extend the hand of amity, compromise, and friendship on this bill. The accusation is false. Arizona scorns all bribes and wears no chains.

I am going to vote for the amendment just offered by the Senator from New Mexico, and by so doing Arizona makes another step looking toward a compromise of the differences surrounding this legislation. In making this advance looking toward some composition of our differences, and in hope of reaching some *modus vivendi*, I trust that Arizona shall no longer be accused of stubbornness.

MR. JOHNSON. Mr. President, the offer that has been made by the Senator from New Mexico [MR. BRATTON] is, I take it, an offer by way of compromise. The Senator from New Mexico represents one of the States of the upper Colorado River Basin. He, of course, is intensely interested in what shall be done with the waters of the Colorado, just as the States of the lower

basin are equally interested in what shall be done with the waters of the Colorado.

It is a fact, sir, that in the State of California there are rights perfected to-day and those which may be perfected in the near future, rights indeed that under the law no human agency can take from the people who reside in the State of California, that far exceed the amount of water that is fixed as the maximum in the amendments that California ever shall use. Were I here in disinterested position, Mr. President, were the dire necessity of Imperial Valley not so clearly before me, sir, if I did not understand as few men upon this floor understand the absolute necessity of legislation of the character that has here been proposed, never for one instant would I assent to an amendment such as has been presented by the Senator from Colorado or that which has now been presented as an amendment by the Senator from New Mexico.

I venture the assertion, and I call upon men whose vision is greater perhaps than a mere limited territory that they may represent, that never in the history of legislation has there been written into a law such a drastic provision as that which is suggested by the Senator from Colorado and that which is in part suggested by the Senator from New Mexico.

Do Senators realize what this provision is? In order that its citizens may be protected from flood, in order that its citizens may have what God gives even to the birds of the air and the beasts of the field, which is potable drinking water, it compels the State of California, before it shall consider even legislation of this sort, by act of its legislature "irrevocably and unconditionally"—and I read the language of the amendment itself—to agree with the United States and for the benefit of the other States of the Colorado River Basin—

as an express covenant and in consideration of the passage of this act, that the aggregate annual consumptive use of water of and from the Colorado River for use in the State of California, including all uses under contracts made under the provisions of this act and all water necessary for the supply of any rights which may now exist, shall not exceed 4,600,000 acre-feet.

More than that and within a brief period by perfected rights, that the law can not touch in this particular territory that is thus assured, can be obtained. Talk to me of taking water from the State of California? Not a bit of it! Not a bit of it! All the expert testimony—and I have put in the RECORD that of the distinguished engineer of the State of Nevada—is that if we give to the State of Arizona the water that the State of Arizona now asks, she can not by any possible process of irrigation use that water to the full or utilize all of it. All of the testimony that has been adduced reaches that conclusion, save that, of course, of some of the gentlemen connected with the State of Arizona.

But that is neither here nor there. I want Senators to understand what the amendment is. It is the most drastic amendment that was ever written into a law against the people of a State, the most drastic thing that was ever asked of them. I would stand here and never tolerate it if I did not know that 60,000 people are in jeopardy in the Imperial Valley who demand and who ask and who beg and who pray that they may have the consideration of the Congress.

I say to the gentlemen from Arizona, "You say that California shall have but 4,200,000 acre-feet." We say, and the testimony of Mr. Francis Wilson is the best upon that subject, that the irreducible minimum of the State of California is 4,600,000 feet. You say to us, "You must bind your people for all time in the future never to go beyond it by this amendment." The amendment does not divide the water between Arizona and California. It fixes a maximum amount beyond which California can not go. I say to the gentlemen from Arizona, though I think it is a wicked amendment, though I think it is an amendment that harnesses the State of California and its people as they never should be harnessed in the days to come, though I believe it to be an injustice against those who reside in California and in its southern part to-day and those who may reside there in the future—I say to you that if 200,000 acre-feet of water will settle this controversy with them, whatever the wrong, whatever the injustice, whatever may be the yoke that is put upon our people, I will take that as a compromise and a settlement of the differences that exist.

But unless it be by compromise, this injustice ought not to be put upon us and the compromise should be that the amendment as written, with the permanent amount of water that the Senator from New Mexico [MR. BRATTON] offers, shall be adopted, and then that the bill shall be passed without further delay and without any filibuster at all. If we can compromise, let it be done upon that basis, but do not require us to do what

is unnecessary and what ought not to be crowded down our throats unless it be actually by way of compromise.

Mr. PITTMAN. Mr. President, I want to say that the amendment of the Senator from Colorado [Mr. PHIPPS] now offered is substantially recommended by the committee. The bill as originally introduced by the Senator from California [Mr. JOHNSON] had no reference in it to water at all, but it became evident to the committee that there had to be some reference with regard to water because not only were the States of California and Arizona interested in this larger supply of water but the four upper States were interested as well. This amendment was offered in committee by the Senator from Wyoming [Mr. KENDRICK] for the purpose of protecting the water rights of the four upper States. In other words, there are only 15,000,000 acre-feet in the river. Seven million five hundred thousand are forever to be retained in the upper States, to be put in use some time in the future.

Now, unless there was an agreement as to exactly how much water should go to the lower States out of the 7,500,000 acre-feet that went down to them, what might be the result? If Arizona stays out of the agreement, she would have her legal right to appropriate as much water as she could put to beneficial use. On the other hand, California would only be restricted by the 7,500,000 acre-feet that went down, with the result that there would be nothing in the compact to prevent California from using the entire 7,500,000 acre-feet and there would be nothing in the compact to prevent Arizona from using the 7,500,000 acre-feet if she never went into the compact.

So the upper States said: "We have got to be assured that there is not used in the lower basin more than the 7,500,000 acre-feet, because, if there is more used, then when we get ready to use it in the future it will not exist under the law of appropriation that applies in that section of the country." Consequently, in view of the fact that Arizona might never go into the compact, might never be bound by the compact, might be perfectly free to exercise her equal right and put to use as much as she could put to beneficial use, it was said in the committee, "If Arizona does not come in and if it is limited to six States only, then we must be assured that California will not take the full 7,500,000 acre-feet and then Arizona take some more." So the Senator from Wyoming [Mr. KENDRICK] offered an amendment in committee, to which the committee agreed, and that amendment provided that California should never consumptively use of the Colorado River over 4,600,000 acre-feet.

The Phipps amendment does not do anything else except that it states how California shall ratify. The Congress of the United States could not impose it upon California unless California assented to it, because California already has sovereign rights over the water, and the law recognizes her right to use as much as she can put to beneficial use. Consequently the Senator from Colorado [Mr. PHIPPS] has simply taken the amendment which was recommended by the committee and put it in legal language and provided a legal method for California to ratify it. I do not think it is any harder on California than it was before.

Let me now call attention to the fact that the committee adopted the Kendrick amendment. They adopted the amount that California demanded, which was 4,600,000 acre-feet. I voted for that amendment. Why? I voted for it because otherwise Arizona would not participate in the compact and would not participate in the division of water. In other words, it was apparent to me that California was so dissatisfied with it that we had to treat without Arizona. We treated without Arizona in the committee, and we put the amount in there that California demanded before the four governors at Denver.

I participated as a representative of Nevada for four weeks in the hearing at Denver, where the governors of the seven States met. Those governors decided that California was entitled to only 4,200,000 acre-feet of that water. They may have been right or wrong. The dispute has been going on for a long time. On the other hand, California contended that she had to have 4,600,000 acre-feet.

Now, we have this situation: We have the committee, which adopted the Kendrick amendment, standing for 4,600,000 acre-feet. We have the four governors of the upper States who arbitrated, standing for 4,200,000 acre-feet. We have a difference of just 400,000 acre-feet out of a total of 7,500,000. I think the proposition of splitting that in two is going to accomplish more good and get rid of more disputes than anything else that can possibly be done. I believe that if the two Senators from Arizona vote for 4,400,000 acre-feet, in accordance with the amendment of the Senator from New Mexico [Mr. BRATTON], they will be able to go before their legislature and sustain that position, and I believe if they do go before their legislature and sustain the proposition, that Arizona will ratify the 7-State agreement.

Mind you, this 6-State agreement is only an expedient. It is not what any of the seven States want. All of the seven States want a fair treaty between the seven States, and we have been striving to that end for several years. It looks to me as though we are on the eve of getting an agreement. I do not believe it is possible for the two Arizona Senators to pledge what the Arizona Legislature will do in this matter, but I believe that they have influence with it, and I believe when they go before the legislature and say "We stated on the floor of the Senate that this was a fair compromise, and we were representing the sentiment of the people of the State," the legislature will ratify it.

I think it would be a terrible mistake when everyone has reached the point of compromise as we have here. If California's allotment is reduced 200,000 acre-feet out of 7,500,000 and Arizona concedes 200,000 acre-feet to California for the purpose of compromise, we should vote for it, because if we do not bitterness is bound to exist between these States. If we do not, there have got to be a number of other provisions in the bill to satisfy the other States, because there is fear in the four upper States with regard to any kind of a ratification except by all the States. That fear does not exist in my mind; I think it is perfectly groundless. I think it is as groundless as is the fear of Mexico getting any more water than she is getting now. However, I plead with the Senators to allow us to make the first compromise that has ever been made in seven years with regard to this matter, and vote to split these 400,000 acre-feet and make the quantity that California will receive 4,400,000 acre-feet.

Mr. JOHNSON. Mr. President, I thought I made myself plain upon this matter, but I want to make it doubly so. If we are compromising on the question of water, I will submit to what I think is an injustice; if we are compromising our controversy, I am willing to accept it; but I want to know first whether we are settling the controversy and whether or not we are settling the matters of difference. The junior Senator from Arizona [Mr. HAYDEN] has been very active, and I ask him if that is the situation?

Mr. HAYDEN. Mr. President, I have been very active submitting various suggestions of compromise to those who spoke for the State of California. I have had no response to those offers. The only thing that I could do was what I have done this morning, to submit the issues separately to the judgment of the Senate, and that is what we are doing now. We are taking up the question of the quantity of water that the State of California shall receive, and let the Senate vote on it. When we come to other issues we shall again ask the Senate to vote on those. That is all we can do.

Mr. ROBINSON of Arkansas. Mr. President, if I may ask a question, are there other issues in the bill than the mere division of water?

Mr. HAYDEN. Yes.

Mr. ROBINSON of Arkansas. Is it the position of the Senator from California [Mr. JOHNSON] that all issues in the bill must be compromised if a compromise shall be made respecting the division of water?

Mr. JOHNSON. I do not know what other issues there are.

Mr. ASHURST. There is the power issue.

Mr. ROBINSON of Arkansas. I can not state them, but I understood there were a number of other issues involved in the some 50 amendments which have been offered to the bill.

Mr. JOHNSON. Yes; but I thought they were offered at the last session for various other reasons than because the bill required them. However, that is neither here nor there.

Mr. ROBINSON of Arkansas. It occurred to me, I will say frankly to the Senator from California, that, perhaps, by settling the pending controversy relating to the distribution of water it might facilitate the final disposition of the measure.

Mr. JOHNSON. I should like very much to do it, but I want to know that we are settling something. Do Senators realize what this amendment requires? Just see the safeguards that we have given the upper basin States. We are considering a bill every feature of which is written around the 7-State pact. Then the amendment requires that the seven States, Arizona among them, shall ratify the compact. Further the amendment provides that if the seven States shall not ratify the compact within six months, six States may ratify it, with this addendum concerning California's water. What is the position of Arizona?

Mr. HAYDEN. Mr. President, I have repeatedly stated to the Senate that there are three fundamental differences between the State of Arizona and the State of California. One was the question of the division of water in the lower basin; another was whether or not the Colorado River compact should be ratified by seven States; and the other was whether Arizona should receive some income from power in lieu of taxes.

The Senator from California continually refers to some one item and wants to know if we are pleased with it, and if he agrees to that item it will settle the others. We have been unable to arrive at any conclusion in that regard. So I shall state frankly to the Senator that if this amendment be adopted, the next proposal that the Senators from Arizona shall offer to the Senate will be whether there shall be a six or a seven State ratification of the Colorado River compact. Let the Senate settle that issue, and so on down, until the Senate itself has determined what the legislation shall be.

Mr. ASHURST. Mr. President, will the Senator from California yield to me?

Mr. JOHNSON. I yield to the senior Senator from Arizona. Mr. ASHURST. Mr. President, I agree with what my worthy colleague, the junior Senator from Arizona [Mr. HAYDEN] has said. Arizona desperately needs votes at this time in the Senate, as to the division of the waters under discussion, but I am not going to seek or receive one vote upon this amendment under a misapprehension. If the Senator from California [Mr. JOHNSON] beguiles himself into the belief that because of the adoption of this amendment, opposition will relax as to other features of this bill, he is sadly mistaken. The adoption of this water division amendment will by no means remove the thorns and blades of injustice that would yet remain in the bill respecting power and other subjects, and we shall contend to the last, indeed we shall retire into the rocky passes of the Senate rules and there fight until we secure a bill which will, amongst other features, require a 7-State ratification of the so-called Santa Fe—or Colorado River—compact. Is there any misunderstanding about this language?

Mr. JOHNSON. No; and I am very much obliged indeed, to the Senator from Arizona for what he has said. It is a demonstration that the accomplishment of this injustice will accomplish absolutely nothing. I ask those who favor this legislation, therefore, to defeat this particular amendment, and I trust we will go forward with the measure with such rapidity as we may. I am grateful to the Senator from Arizona for his frankness; that is the way we ought to speak; and, feeling that way, it is obvious, sir, that this is nothing at all in the nature of a compromise, nothing at all in the nature of a settlement of the controversy that has existed.

Mr. BRATTON. Mr. President, I think both Senators are unduly alarmed or aroused. The Senator from Arizona says that there are three questions involved. One is the division of water; another is whether there shall be a seven or a six State ratification. If this amendment shall be adopted it will settle those two questions. It will divide the water and it will cover the subject of ratification by providing that a 7-State ratification shall be had if it can be obtained within six months and a 6-State ratification thereafter. So if this amendment shall be adopted the question of the division of water and the question of ratification both will be settled. That leaves the single question of whether Arizona will be permitted to tax the output from the operation of the power plant. It seems to me that the Senate will expedite this measure upon the most equitable basis by adopting this amendment, and then leaving the question of revenue to be derived by or paid to the State of Arizona to be determined later.

Mr. ROBINSON of Arkansas. When that amendment is reached we will vote on that, and after that question shall have determined the principal issues will have been disposed of.

Mr. BRATTON. The principal issue will be determined by this amendment. I repeat for emphasis that we will expedite the legislation on the most equitable basis by adopting the amendment in the form in which it now stands.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BRATTON. I yield.

Mr. BARKLEY. Whether we agree to this compromise or do not agree to it, what effect will the action have upon the question as to whether Arizona shall have the right to tax the power?

Mr. BRATTON. None at all; that is a separate question that we will discuss and decide later.

Mr. BARKLEY. So that those who favor the principle of the bill as a whole may consistently support this amendment without in any way embarrassing themselves as to the right of Arizona to tax the power?

Mr. BRATTON. Emphatically, yes. This amendment relates to the division of water. Then when we turn to the subject of power, whether Arizona shall tax it or whether she shall accept 18½ per cent of the surplus revenue provided in the bill is an entirely separate and distinct question.

SEVERAL SENATORS. Vote!

Mr. ASHURST. Let the question be stated.

The PRESIDING OFFICER. The question is on the amendment of the Senator from New Mexico [Mr. BRATTON] to the amendment of the Senator from Colorado [Mr. PHIPPS].

Mr. BRATTON. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. HARRISON (when his name was called). On this vote I am paired with the senior Senator from Wisconsin [Mr. LA FOLLETTE]. If he were present and free to vote, he would vote "nay." If I were permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. McMASTER. I desire to announce that my colleague the senior Senator from South Dakota [Mr. NORBECK] is unavoidably absent. If present, he would vote "nay."

Mr. JONES. I desire to announce that the Senator from Ohio [Mr. FESS] is necessarily absent from the Senate. He is paired with the Senator from Maryland [Mr. TYDINGS]. If present, the Senator from Ohio would vote "nay" on this question.

I also desire to announce that the Senator from South Dakota [Mr. NORBECK] is paired with the junior Senator from New Mexico [Mr. LARRAZOLO]. If the Senator from South Dakota were present he would vote "nay," and if the junior Senator from New Mexico were present he would vote "yea" on this question.

Mr. ROBINSON of Arkansas. I desire to announce that the Senator from Missouri [Mr. REED], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Mississippi [Mr. STEPHENS] are necessarily detained from the Chamber on official business.

I also desire to state that the senior Senator from New York [Mr. COPELAND] is detained by illness in his family. On this amendment he has a pair with the Senator from Rhode Island [Mr. GERRY].

The result was announced—yeas 48, nays 29, as follows:

YEAS—48

Ashurst	Edwards	King	Simmons
Barkley	Fletcher	Locher	Smith
Bayard	George	McKellar	Smoot
Bingham	Glass	Metcalf	Steak
Black	Glenn	Moses	Swanson
Blease	Hale	Neely	Trammell
Bratton	Harris	Oddie	Tyson
Broussard	Hawes	Overman	Wagner
Bruce	Hayden	Pine	Walsh, Mass.
Caraway	Heflin	Pittman	Walsh, Mont.
Couzens	Kendrick	Ransdell	Waterman
Edge	Keyes	Robinson, Ark.	Watson

NAYS—29

Blaine	Gillett	Nye	Shortridge
Borah	Goff	Phipps	Steiner
Brookhart	Gould	Reed, Pa.	Thomas, Idaho
Capper	Johnson	Robinson, Ind.	Vandenberg
Curtis	Jones	Sackett	Wheeler
Deneen	McMaster	Schall	
Dill	McNary	Sheppard	
Frazier	Norris	Shipstead	

NOT VOTING—18

Copeland	Harrison	Mayfield	Tydings
Dale	Howell	Norbeck	Warren
Fess	La Follette	Reed, Mo.	
Gerry	Larrazolo	Stephens	
Greene	McLean	Thomas, Okla.	

So Mr. BRATTON's amendment to Mr. PHIPPS's amendment was agreed to.

The VICE PRESIDENT. The question is on the amendment of the Senator from Colorado [Mr. PHIPPS], as amended.

Mr. HAYDEN. Mr. President, as the senior Senator from California is well aware, there have been other issues in controversy between the States of California and Arizona with respect to the apportionment of water, one issue being whether or not the States of Arizona and California should share equally the burden of furnishing water to Mexico. Another was whether the Gila River, one of the principal tributaries of the Colorado River in Arizona, should be completely reserved for use in the State of Arizona.

In offering my original amendment I provided for both of those matters. I have had conferences with some gentlemen from California, and they have suggested some changes in that part of my proposal. I intend to submit it now, so that it may be printed for the information of the Senator from California and the entire Senate, in order that we make take it up for consideration later.

I now send the amendment to the desk and ask the clerk to read it for that purpose. I shall offer it later.

Mr. JOHNSON. Mr. President, has the amendment been printed?

Mr. HAYDEN. My original amendment was printed. I have made some changes in it.

Mr. JOHNSON. The original amendment that the Senator refers to is the one we passed upon, is it not?

Mr. HAYDEN. No, sir. The Senator will remember that I offered an amendment which was pending, which comprised—

Mr. JOHNSON. Why not have the amendment printed and lie on the table?

Mr. HAYDEN. I desire to have it read and printed and lie on the table.

Mr. HEFLIN. Let us have it read.

Mr. JOHNSON. Let us dispense with the reading of it for the moment and go on with the bill. Of course, the Senator has that right if he wishes.

Mr. HAYDEN. I prefer to have it read, so that the Senate may understand what it contains.

Mr. JOHNSON. All right.

The VICE PRESIDENT. The amendment will be read for the information of the Senate.

The legislative clerk read the amendment, as follows:

Amendment by Mr. HAYDEN to the amendment offered by the Senator from Colorado [Mr. PHIPPS]: On page 3, after line 7, insert a new paragraph, as follows:

"The said ratifying act shall further provide that if by tri-State agreement hereafter entered into by the States of California, Nevada, and Arizona the foregoing limitations are accepted and approved as fixing the apportionment of water to California, then California shall and will therein agree (1) that of the 7,500,000 acre-feet annually apportioned to the lower basin by paragraph (a) of Article III of the Colorado River compact, there shall be apportioned to the State of Nevada 300,000 acre-feet and to the State of Arizona 2,800,000 acre-feet for exclusive beneficial consumptive use in perpetuity, and (2) that the State of Arizona may annually use one-half of the excess or surplus waters unapportioned by the Colorado River compact, and (3) that the State of Arizona shall have the exclusive beneficial consumptive use of the Gila River and its tributaries within the boundaries of said State, and (4) that the waters of the Gila River and its tributaries, except return flow after the same enters the Colorado River, shall never be subject to any diminution whatever by any allowance of water which may be made by treaty or otherwise to the United States of Mexico but if, as provided in paragraph (c) of Article III of the Colorado River compact, it shall become necessary to supply water to the United States of Mexico from waters over and above the quantities which are surplus as defined by said compact, then the State of California shall and will mutually agree with the State of Arizona to supply, out of the main stream of the Colorado River, one-half of any deficiency which must be supplied to Mexico by the lower basin and (5) that the State of California shall and will further mutually agree with the States of Arizona and Nevada that none of said three States shall withhold water and none shall require the delivery of water which can not reasonably be applied to domestic and agricultural uses and (6) that all of the provisions of said tri-State agreement shall be subject in all particulars to the provisions of the Colorado River compact."

The VICE PRESIDENT. The amendment will be printed and lie on the table.

The question is on the amendment of the Senator from Colorado [Mr. PHIPPS], as amended.

Mr. HAYDEN. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. On page 2, lines 7 to 17, it is proposed to strike out the words:

if said States fail to ratify the said compact within one year from the date of the passage of this act then, until six of said States, including the State of California, shall ratify said compact and shall consent to waive the provisions of the first paragraph of Article XI of said compact, which makes the same binding and obligatory only when approved by each of the seven States signatory thereto, and shall have approved said compact without conditions save that of such 6-State approval, and the President by public proclamation shall have so declared, and, further—

Mr. HAYDEN. Mr. President, the amendment I have offered to the amendment offered by the Senator from Colorado strikes out that part of his amendment which states that the Colorado River compact may be ratified by six instead of by seven States.

The Colorado River compact, as originally written, contemplated that the seven States of the Colorado River Basin would enter into an agreement apportioning 7,500,000 acre-feet of the waters of that basin to the upper basin, 7,500,000 acre-feet to the lower basin, and reserving to the lower basin the right to increase its beneficial consumptive use of water by an additional 1,000,000 acre-feet. The compact was not to go into effect until ratified by all of the seven States and until it was subsequently approved by Congress.

The compact was ratified without qualification by the States of Wyoming, Utah, Colorado, New Mexico, Nevada, and California.

Subsequently the State of California withdrew its unqualified ratification of this interstate agreement and ratified it upon the condition that there should be constructed upon the Colorado River, at or near Boulder Canyon, a dam which would impound at least 20,000,000 acre-feet of water. The enactment of this legislation would comply with the California reservation.

The State of Arizona has never approved the Colorado River compact—would not ratify it, as I have previously explained to the Senate—primarily because it provided merely for a division of water between the two basins and did not provide specifically the quantity of water which each State in the respective basins might receive. When the time came to make the compact, although the acts of all the State legislatures and the act of Congress contemplated that there would be a division and apportionment of water to each one of the seven States, specifically providing just how much water they should receive, Mr. Hoover and the seven State commissioners found it impossible to carry out that intention. They therefore divided the water between the upper and the lower basins of the Colorado River.

So far as the upper basin of the Colorado River is concerned, there is no immediate hurry about any division of water, because the agricultural development of that region will be long delayed. In the lower basin, however, both in Arizona and in California, particularly in the latter State, there is immediate prospect that the water will be placed to beneficial use. So, with an apportionment to the lower basin as a whole, and without any division of water between the States in the lower basin, the State of California could immediately appropriate and put to use the major portion of the water. We were greatly alarmed in the State of Arizona to learn that the State of California had made filings, had given notice to the world that they intended to appropriate out of the Colorado River all of the water apportioned to the lower basin, which would leave absolutely no water from the main stream for the State of Arizona.

If the filings made by the State of California have the value assigned to them by the senior Senator from California, if they do establish perfected rights as he has asserted, then, without an agreement between the States of Arizona and California, if those filings are valid, there would be absolutely no water left in the Colorado River for the State of Arizona. So, when the Colorado River compact was submitted to the Arizona Legislature the question was immediately raised, If we approve this general division of water does it follow that there will be a supplemental agreement apportioning certain waters in the lower basin to the State of Arizona and certain waters to the State of California; the other waters to Nevada? In the absence of any such agreement the Legislature of Arizona, after very mature deliberation, decided not to approve the compact.

The demand in my State has been, ever since that time, for a supplemental agreement between the States of Arizona and California, before the compact be approved. The failure of the State of Arizona, however good the reason might be, to approve the Colorado River compact, resulted in resentment among the other States of the Colorado River Basin. They felt that the State of Arizona should have approved the compact first, and then have taken the chance as to whether a supplemental agreement could be reached with the State of California. As the result of that resentment it was proposed that the Swing-Johnson bill, then pending in Congress, be modified to provide that the Colorado River compact should be approved by the Congress of the United States and should go into effect when ratified by six States instead of by seven States.

So we find in the pending bill and in the amendment offered by the Senator from Colorado, who merely transposes words from the bill itself into his amendment, the proposal that if all of the seven States fail within six months to ratify the compact, then it shall go into effect when ratified by six States.

The State of Arizona is compelled to object most seriously to any such proceeding. The Colorado River compact proposes to divide the waters of the Colorado River among seven States. It is conceded that if the compact is legally sound the water in that river and its tributaries belongs to the seven States and not to the Federal Government. If the seven States own the water of the Colorado River and its tributaries, if they have a common interest in it which they are seeking to divide by a compact, how can an agreement be made effective dividing the property of seven States merely with the consent of six of them and without the consent of the seventh State?

I want to seriously inquire of the Senator from Colorado upon what theory he justifies the proposal that the Colorado

River compact shall go into effect if approved by six States only?

Mr. PHIPPS. Mr. President, the time that has been afforded the States in which to indicate their assent to the 7-State compact has continued to such an extent that many of us have given up hope of eventually arriving at a 7-State compact.

As I understand it, the States of the upper basin much prefer a 7-State compact, but they desire a compact of some kind, and with a provision under which one of the lower basin States—California—practically steps into the position of guarantor, so that the upper basin would be reasonably assured that its requirements of practically 7,500,000 acre-feet would not be infringed upon, that they then could go ahead safely in developing their irrigation enterprises and taking water for domestic use.

It seems to me that if the Congress should go through the motion of passing this bill, authorizing these works—the dam, the power plants, and so on—predicated upon the unconditional ratification by all the seven States of the compact, it might be an interminable length of time before all seven would agree to come in.

The upper-basin States desire to be assured of their rights to the use of water, and, as they see it, the means of accomplishing that is to have the States in control of the waters going into the lower basin protect them to the extent that they are assured of their own water uses.

Mr. HAYDEN. Mr. President, let me see if I understand the Senator. It is due to the fact that the States of the upper basin fear development by California, and do not fear development by Arizona, that they are willing to subscribe to a 6-State compact, rather than to a 7-State compact, provided the State of California makes one of the six States.

Mr. PHIPPS. Not rather than. As I have stated, the preference is decidedly for a 7-State compact, and it is to be hoped that a 7-State compact will become effective. It is also felt, however, that, in view of the time which has passed during which one of the seven States has definitely refused to come in, having allowed a reasonable length of time for that State to come into accord with the others, and accept the compact, the upper-basin States would be reasonably safe in going ahead with the concurrence of the six States.

Mr. KING. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KING. I hope the Senator from Colorado, in making that statement, is not attempting to speak for the State of Utah.

Mr. PHIPPS. I was speaking in general terms. The State of Utah, I believe, has declined to assent to a 6-State compact. The conditions of this bill I believe to be such that the State of Utah would again decline to assent to a 6-State compact.

Mr. KING. May I ask the Senator from Colorado if he thinks it will be conducive to securing the assent of the State of Utah to a 6-State compact, or to a 7-State compact for that matter, if the provisions of the bill, after it shall become a law, leave Arizona and California in a controversial condition with respect to a division of the water? In other words, if the rights of each of these States is not defined, will not there be a prolonged dispute as to the rights of each in and to the waters of the Colorado River?

Mr. PHIPPS. But the provision in the bill would protect the upper basin States in that California agrees that there shall be a limitation on the quantity of water which she may take and use.

Mr. KING. Does California agree there shall be a limitation if there is a 7-State compact?

Mr. PHIPPS. If there is a 7-State compact, in the terms of this amendment, yes. May I ask the Senator from California if I am correct?

Mr. JOHNSON. My impression is that the amendment provides, first, for a 7-State compact and, secondly, for a 6-State compact, in which event the Legislature of the State of California pledges itself never to use a greater amount than 4,400,000 acre-feet.

Mr. PHIPPS. The Senator is quite correct. With the 7-State compact, then, of course, the States of the upper basin are protected, in that the provision allows them to use 7,500,000 acre-feet, or, putting it the other way, their only obligation is to send down during the course of 10 years not less than 7,500,000 acre-feet of water.

Mr. KING. But it would leave California and Arizona, if there were a 7-State compact, to divide the water between themselves, and they might reach no agreement, and with California's superior strategic situation to use the waters of the river, Arizona's share, or claimed share, might be taken by California.

Mr. PHIPPS. To agree upon a division of the waters.

Mr. KING. And there is no assurance that California would be satisfied with the division prescribed in the amendment which has just been adopted.

Mr. PHIPPS. And no assurance that Arizona would be satisfied.

Mr. KING. Is there any assurance that California would consent to be limited to that amount?

Mr. PHIPPS. No; and there is no assurance that Nevada would be willing to take her 300,000 acre-feet which she is now willing to accept. That is to say, the whole thing would be thrown open for negotiation. If the States could come into agreement among themselves as to a division of the water, that agreement naturally would have to be ratified by the United States Government.

Mr. KING. May I ask the Senator if he should not be interested in getting a bill which would contain provisions that will permit Arizona to ratify? It seems to me that if we pass a bill which does not settle the controversy between Arizona and California in the matter of a division of the water there is danger that Arizona may not feel disposed to ratify the compact.

Mr. PHIPPS. I have always understood the principal bone of contention to be the division of the water. Now, by vote of the Senate, if it is carried into effect by concurrence of the House, that figure is fixed. The maximum to California would be 4,400,000 acre-feet. There is every reason to believe that would be acceptable to California.

Mr. KING. But, as I understand the statement just made by the Senator, the limitation of 4,400,000 acre-feet is based solely upon the 6-State compact, and if there is a 7-State compact there is no limitation.

Mr. PHIPPS. That is correct.

Mr. KING. Then if there is no limitation what advantage is there to Arizona if she does ratify the compact? California is in a superior position to appropriate the water and Arizona might get no water. California might then appropriate all of the 7,500,000 acre-feet allocated to the lower basin and Arizona, when ready to appropriate water from the river, and finding her share used by California might come to the upper basin States and make demands upon them.

Mr. PHIPPS. Arizona is ready to say that California shall put the water to beneficial use. Arizona has about 350,000 acres of land which can not be reached by gravity flow from the proposed dam, as our committee was informed.

Mr. KING. But the Senator must know that the statement has been made in the committee and on the floor of the Senate that neither Arizona nor the upper States are in a position to immediately appropriate the waters allocated to the upper States, or the share of the waters allocated to the lower States which Arizona thinks she is entitled to appropriate. If there is in the bill no division among the lower basin States of the water allocated to them, then Arizona might be unwilling to ratify the compact. She might say, "If we ratify, California is not restricted in the quantity which she may appropriate, and being in a position to appropriate all or most of the 7,500,000 acre-feet allocated to the lower States less what Arizona now uses, she may assert a claim to the entire flow." In this situation Arizona might feel constrained when ready to appropriate her share of the 7,500,000 acre-feet to make demands upon the upper States.

It seems to me that the Senator from Colorado is jeopardizing the rights of his own State, as well as the upper States, by assenting to a policy—

Mr. PHIPPS. I prefer that the Senator in speaking would not use the personal pronoun.

Mr. KING. I referred to the Senator as the Senator from Colorado.

Mr. PHIPPS. He should refer to me definitely as one member. I am only one member of the committee. I have my views as to what is the best procedure and the best form of legislation that can be adopted or carried out. I am perfectly willing to hear the Senator's argument from his viewpoint, but I hope he will not charge me with being the sole proponent of any feature of the bill or the amendment.

Mr. KING. I have not credited the Senator with being the sole proponent. He has defended the 6-State compact. I was merely calling attention to the fact that a compact which does not provide for a final division of the waters between Arizona and California will leave the upper States in a situation where they may not be fully protected, because if the allocation of water which has been provided in the amendment just adopted is not to apply in the event of a 7-State compact, then that may be regarded by Arizona as sufficient for objecting to ratifying the compact. If Arizona fails to ratify the compact the Senator must, it seems to me, appreciate the fact that the upper States are in jeopardy, because if Arizona does not ratify the

compact and California in the meantime should appropriate water which should go to Arizona, the latter, when ready to appropriate her just portion of the 7,500,000 acre-feet, and finding it used by California, might demand from the upper States sufficient to supply her needs. This danger might be increased if at the time of such demand the upper States had not applied to beneficial use the 7,500,000 acre-feet allocated to them. It seems to me that is vital for the protection of the upper States that the compact be ratified by the seven States.

I am more interested in securing a 7-State compact than in any other feature of the bill. If the compact is ratified and if the ratification and the provisions of the bill are of such character as to compose the differences between Arizona and California, then the upper States may go forward with a good deal of assurance, having only the apprehension that may arise from the fact that some of the water of the river may reach Mexico and be the basis of a claim by that country for a share of the river beyond that which may have been used prior to this time.

Mr. PHIPPS. Mr. President, will the Senator from Arizona yield further to me?

Mr. HAYDEN. Certainly.

Mr. PHIPPS. Just in a word, I wish to state that my understanding of the effect of the pending amendment is that under it or under a 7-State compact, the upper States would be compelled to send down 7,500,000 acre-feet of water in 10 years; or, to put it the other way, they would have for their own uses 7,500,000 acre-feet annually. If the 7-State compact is entered into, it settles that question so far as the upper basin States are concerned.

If we enact this legislation without providing for a 6-State compact, the discussions and the differences between the lower basin States may continue indefinitely and the upper basin States have no assurance that they are going to be protected in what they conceive to be their rights. The language of the amendment providing for a 6-State compact has incorporated in it the engagement upon the part of California that she will not take for her consumptive use more than 4,600,000 acre-feet—or now 4,400,000 acre-feet—of water out of the estimate 7,500,000 acre-feet annual flow.

Mr. HAYDEN. Mr. President, the State of Arizona feels that a gross injustice would be done to that State by the passage of an act of Congress which would provide that six States may divide the waters of a stream which belong to seven States without the consent of the seventh. No such bill should be introduced in Congress unless it were upon the assumption that Congress had the right and the power to divide the waters of the stream. Let me point out, Mr. President, a parallel instance to the one that we now have under consideration.

The States of Pennsylvania, New York, and New Jersey are using the waters of the Delaware River for domestic purposes. In the present unregulated condition of the Delaware River a shortage of water for cities in New York, New Jersey, and Pennsylvania has developed. Competent engineers have examined the stream and have determined that by the construction of reservoirs, either on the Delaware River itself or upon its tributaries, water may be conserved to satisfy the needs of all the cities which require it for domestic purposes. In order to arrange for an equitable apportionment of the waters of the Delaware River commissioners were appointed under authority of the legislatures of the three States. They drafted a compact allocating a quantity of water to New York, an equal quantity to New Jersey, and a larger quantity to Pennsylvania, because the larger part of the drainage of the Delaware River is in the State of Pennsylvania. That compact was very promptly ratified by the States of New York and Pennsylvania. The Legislature of the State of New Jersey, on examining the terms of the compact, decided that the references therein to vested rights might give title to certain riparian land, the ownership of which the State disputed, and therefore failed to ratify the compact.

Now, if the California procedure had been followed in that instance the States of New York and Pennsylvania would have appealed immediately to Congress and would have urged that because the three States interested in the Delaware River were unable to come to an agreement with respect to an apportionment of its waters, Congress should pass a bill approving the compact as ratified by the Legislatures of New York and Pennsylvania, and let it go into effect by virtue of an act of Congress, even though the Legislature of New Jersey has not approved of it.

That is what this bill does with respect to the Colorado River compact. It states that, whereas the legislatures of all of the seven States have not approved of the compact, nevertheless the

Congress shall approve it and measures shall be taken to put that compact into effect whether the seven States have approved it or not.

The States of New York, New Jersey, and Pennsylvania, being of the original thirteen States of the Union, never thought of coming to Washington to ask that a compact which had been negotiated by the commissioners appointed by three of them, and which had been approved by two of them, should be put into effect by an act of Congress. They knew that that could not be done; that the waters of the Delaware River belonged to the three States; that those States alone could enter into an agreement to apportion the waters, and that it was wholly beyond the power of the Congress of the United States, by an act approving an agreement which two of the States had ratified and which the third had not, to place that agreement into effect. No such proposal was made.

The only interest the Federal Government has in the Delaware River is that if by reason of the reservoirs proposed to be built in New York or New Jersey or Pennsylvania the flow of that stream were interfered with to an extent that shipping could not enter the port of Philadelphia, then a Federal interest would be violated. But so long as interstate and foreign commerce were not interfered with, those three States might divide the water as they saw fit. So we say that the same is entirely true in the Colorado River, that the States alone, and all seven of them—because all seven of them own the river just as much as the three States of New York, New Jersey, and Pennsylvania own the Delaware River—the States and the States alone, and only by a unanimous agreement, can divide the waters of that river. Therefore an assertion in this bill that the compact shall be approved, not when ratified by seven States but when ratified by six States, is a wrong and a wholly improper procedure for the Congress of the United States to follow. Therefore I have moved to strike out of the amendment offered by the Senator from Colorado the provision that the Colorado River compact shall be approved by the Congress of the United States to go into effect when ratified by six States and not by seven States.

It seems to me, Mr. President, that the proposition is so simple that it does not need much argument. Here is a river that belongs to seven States. Each one of the seven States appointed commissioners to work out an arrangement whereby the waters of that stream would be divided. Six of the States approved that agreement, but the seventh State, for good and substantial reasons, declines to approve it until a supplemental compact shall have been made between that State, which is Arizona, and the State of California further apportioning the waters that are allocated to the basin in which they lie.

The State of Arizona insists that as a condition precedent to her ratification of the main Colorado River compact the State of California shall agree with her upon a division of the water of the lower Colorado River Basin.

Mr. BORAH. Mr. President—

Mr. HAYDEN. I yield to the Senator from Idaho.

Mr. BORAH. I merely wish to ask a question. Does the Senator from Arizona contend that the passage of this bill will affect any rights which Arizona has as a State or her citizens have by reason of being citizens of the State? Does he contend the passage of the bill could take away those rights, notwithstanding she has not entered into the pact?

Mr. HAYDEN. We do not know. We look upon the passage of the bill as an assault upon the sovereignty of the State of Arizona. It could be based upon no other theory than that Congress has the right to apportion the waters of the Colorado River and its tributaries in accordance with a certain document, regardless of the wishes of the State of California. It seeks to impose the terms of the Colorado River compact upon the State of Arizona without the consent of that State. Therefore we resist it. Whether all that we fear could be accomplished or not we do not know. I think the Senator from Idaho would be inclined to take the view that such a thing could not be done; the Supreme Court of the United States would not permit anything of that kind. To pass a bill of this kind, however, places the burden upon the State of Arizona of filing suit and of arguing it before the Supreme Court of the United States. No one can tell in advance what the decision of the Supreme Court will be. Therefore we feel justified in opposing the passage of any proposed legislation that in any manner may seek to divide the waters of the Colorado River, in which the State of Arizona has an interest, without the consent of that State.

Mr. BORAH. Mr. President, I do not desire to argue the question, but lest I may be misunderstood in the future—because this question is likely to come back here in another form with reference to some other bill—when I shall vote for

this bill I shall vote for it upon the supposition that a mere act of Congress can not take away any rights of the State of Arizona.

Mr. HAYDEN. Mr. President, in connection with the remarks just made by the Senator from Idaho, I wish to say that one can not blame the Senators from Arizona for being as persistent in the defense of the rights of their State as the Senator from Idaho has been as to the rights of his State. When the Columbia Basin project was under consideration by the Senate the Senator from Idaho offered an amendment which I shall now read:

Provided, That no appropriation for construction under the gravity plan shall be made until a compact shall have been entered into between the States, either to determine the allocation of waters and definite storage elevation and areas or to determine the basic principles that for all times shall govern these matters: And provided further, That the passage of this act shall not in any respect whatever prejudice, affect, or militate against the rights of the State of Idaho, or the residents, or the people thereof, touching any matter, or thing, or property, or property interests relative to the construction of the Columbia Basin project.

The senior Senator from Arizona [Mr. ASHURST] has offered an amendment to this bill in almost the identical language of the amendment offered by the Senator from Idaho which I have just read, except that he struck out the name of the State of Idaho and inserted the name of the State of Arizona. If an amendment of that kind were adopted to this bill, the rights of the State of Arizona would be protected.

Mr. BORAH. My opinion is, though I may be in error, that while that amendment was attached to the Columbia Basin project bill, the law was just the same and would have so remained without the adoption of the amendment. It was quite proper for me to add the amendment and it is quite proper for the Senators from Arizona to take such action as will preclude any presumption of acquiescence, but I think the law to be as I have stated. I do not see how we can, by an act of Congress, take away the rights which belong to a State or to its citizens by virtue of their being citizens.

Mr. HAYDEN. The Senator from Idaho may remember the position of the office of the Attorney General of the United States which has been asserted in briefs filed before the Supreme Court of the United States in the famous cases of Kansas against Colorado and Colorado against Wyoming. In one instance the brief was filed by John W. Davis, the then Solicitor General, and in another instance, more recently, by Mr. Beck, as Solicitor General; but in each instance it was asserted that, while it may be true that the doctrine of appropriation exists in the Western States, it exists only by the sufferance of the Federal Government, and that the Federal Government could at any time, as the owner of the riparian land in the West, reassume jurisdiction and entirely wipe out the doctrine of appropriation, so that it would be no longer applicable in the West. In other words, the Attorney General's department asserts that the Federal Government has absolute and complete jurisdiction and control of all the streams which flow through the public lands.

Mr. BORAH. If streams flow through lands owned by the Government, the Government has a proprietary interest the same as any other proprietor, but not as a sovereign.

Mr. HAYDEN. Whatever interest that may be, whether as sovereign or as proprietor, the Federal Government has no such interest under the laws of the State of Arizona and of other Western States, of which, I believe, the State of Idaho is one. The simon-pure appropriation States of the West assert that the doctrine of riparian rights does not exist, and that the right to appropriate water may be only acquired under the law of the State. Therefore we are menaced by the attitude of a department of the Federal Government, the Attorney General's office, asserting that the States have no right to control the waters of streams where they flow through public land, an instance of which we have before us here. On each bank of the Colorado River at Boulder Dam the lands belong to the United States and are not in private ownership.

Mr. BORAH. The Supreme Court did not follow the brief of the respective Attorney Generals, did it?

Mr. HAYDEN. It did not. The representations thus made were entirely ignored. In the opinion in the case of Colorado against Wyoming, the Supreme Court held that the doctrine of appropriation was common to both the State of Colorado and Wyoming, and therefore it was applicable to the entire stream, and that an earlier appropriator lower down on the stream in Wyoming was entitled to receive his water as against a subsequent appropriator higher up on the stream in Colorado.

Mr. WATERMAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. COUZENS in the chair). Does the Senator from Arizona yield to the Senator from Colorado?

Mr. HAYDEN. I yield.

Mr. WATERMAN. In the Elephant Butte Dam case, in 174 United States, where there was an attempted intervention in the Rio Grande River, the Supreme Court of the United States held, did it not, that the only control or influence of the United States in connection with the flowing of the waters of an interstate stream was predicated exclusively on the commerce clause of the Constitution of the United States? Is not that correct?

Mr. HAYDEN. The Senator is correct.

Mr. WATERMAN. And that was reaffirmed in the Kansas-Colorado case, was it not?

Mr. HAYDEN. The Senator is again correct in his statement.

Mr. WATERMAN. If that be so, how is it possible for the Congress of the United States to legislate in such a manner as to hamper in any way Arizona or my State with reference to the waters that are within or contiguous to it unless they exercise the power in relation to navigation? How can it be done?

Mr. HAYDEN. It has always been the contention of the State of Arizona that the rights of the United States in and to the Colorado River or any other stream in the State were limited to navigation.

Mr. WATERMAN. Exactly. Take the 6-State compact, so called, which purports to put into effect, without the consent of Arizona, the provisions of the 7-State compact, how can Congress by the passage of this bill in any way hamper or limit Arizona in the utilization of the waters that pass through that State?

Mr. HAYDEN. It is evidently the idea of the authors of this bill that the works to be erected under it would be operated in some manner to carry out the terms of the Colorado River compact, and that the practical effect of the legislation would be to prevent the State of Arizona from enjoying any benefit from that structure that was not in accord with a compact which that State had not approved.

Mr. WATERMAN. If, then, the 6-State compact is impressed by this legislation upon this river, and Arizona is left out of it, does not ratify it, does not approve it, does not become a party to it, what is to prevent Arizona from going into the stream where she owns both banks of the river and appropriating water for power purposes, assuming that there is no prohibitive legislation, and in that way getting title to the waters of that river, and depriving my State—which furnishes 70 per cent of the water that passes down through and into the Gulf—of the use of any of the waters that flow in the river there? How can it be done; and can not Arizona, by that method, deprive my State of her rights in that respect?

Mr. HAYDEN. If the State of Arizona had not approved the Colorado River compact, it would undoubtedly have the right to do just what the Senator has suggested.

Mr. WATERMAN. That is where the interest of the people of my State comes into this question. I believe that they must insist upon the ratification of the 7-State compact by the seven States in order to settle the controversy which may arise, and undoubtedly will arise, among the States with reference to the partitioning out of the waters of that stream. That is a vital question, and I am intensely interested in it; and I must stand for such legislation in this body as will protect the interests of my State in the waters of that stream which flow out of it, so that they can not be taken away. The 7-State compact, in my judgment, will do it; and that is why I stand for that compact.

Mr. HAYDEN. The Senator from Colorado will understand that each and every reason ever alleged by the State of Arizona for failure to ratify the compact was not because of a desire in any way to deprive the State of Colorado, which the Senator so ably represents, or the other States of the upper basin, of the share of water allocated to them by the compact; that Arizona's failure to ratify the compact was due solely to the refusal of the State of California to enter into a supplemental agreement dividing the water in the lower basin.

Mr. WATERMAN. I may say to the Senator that I did not intend to intimate anything of that kind. The time may come when I shall say something about that proposition.

Mr. BORAH. Mr. President—

Mr. HAYDEN. I yield to the Senator from Idaho.

Mr. BORAH. I can see how Arizona might lose her rights, not by reason of this legislation, but by reason of acts of appropriation going on in carrying out the terms of this bill in case Arizona did not assert her rights in court. If she stood by and water were appropriated to beneficial use in other States, she might lose her rights. She would not lose them, however,

by reason of this legislation, but by reason of the acts of appropriation.

Mr. HAYDEN. That is exactly what we fear—that if, subsequent to the passage of this legislation, a great dam is erected in the Colorado River without the consent of the State of Arizona, the water impounded behind that dam will be claimed and controlled by the Federal Government, and the State of Arizona will have no jurisdiction over it. The Secretary of the Interior may then enter into contracts to permit the use in California of a much larger quantity of water out of that dam than is fair to the State of Arizona. The State of Arizona will be helpless unless it does proceed, as the Senator suggests, by filing a suit in the Supreme Court of the United States to determine its rights.

Mr. KING. Mr. President—

Mr. HAYDEN. I yield to the Senator from Utah.

Mr. KING. I desire to suggest to my friend from Idaho this situation:

By this bill the Federal Government is asked to appropriate more than \$100,000,000 to construct a dam in the States of Arizona and Nevada particularly for the purpose of generating power. The bill requires that the Secretary of the Interior shall make contracts for the sale of power and stored water. It is obvious that Arizona, not being ready to utilize all of the water of the river to which she believes herself entitled, may lose her right largely because of the acts of the Federal Government. The construction of the dam and the use of a portion of the water for the generation of power places the Government in the position of aiding California in appropriating water which Arizona claims.

By this bill the Government is aiding California, by taking money out of the Treasury of the United States, to appropriate a part of the river flow for power, irrigation, and domestic purposes. This appropriation may be, and probably is, a part of the stream to which in all justice Arizona is entitled. Under the terms of the bill we are requiring contracts to be entered into by the Secretary of the Interior to raise sufficient sums to annually meet the expenditures made by the Government. These contracts will require that power be developed by utilizing a portion of the water claimed by Arizona. Contracts are to be made requiring that a portion of the waters of the river be diverted therefrom and taken to Los Angeles and other coastal cities for domestic and other purposes; so that the United States is asked to become a party to a policy which may deny to Arizona the future consumptive use of her just share of the waters of the Colorado River.

Arizona is vitally interested in this proposed legislation, and in securing an agreement with California as to a division of the water; doubtless she feels that before she can vote to ratify the compact there should be an agreement dividing the water of the river. She may feel that if no agreement is entered into, and she is not in a position to utilize her share of the water for some time, California, with the aid of the Government, will use for power and other purposes water which is justly hers. In this situation, when Arizona is in a position to require the water, and it is claimed by California, a demand might be made upon the upper States for a portion of the quantity allocated to them.

It will be observed that there are serious problems involved in the proposed legislation which we are considering.

Mr. BORAH. Mr. President, of course it would have been extremely satisfactory to all Members of the Senate if the seven States could have agreed. They have been unable to agree, however; and we must, therefore, make our choice of whether we will do nothing, or whether we will pass such legislation as is now proposed.

Then, again, here is a river some 1,700 miles long, I think, national and international in its scope, affecting immediately seven States, and indirectly as many more. There is no one except the Government of the United States who can deal with that river so far as flood control and such matters are concerned. No one else is able to do it; no one else could do it; no one else really has the authority to do it; and, fundamentally, the flood-control proposition is what most immediately concerns me.

Undoubtedly, if Arizona stands idly by and does not protect her rights, either by appropriation or by such action in the courts as will protect them, she will lose her rights ultimately. That is one of the penalties of living under the doctrine of prior appropriation. If an individual has a farm or ranch, and the water is running by it, if he does not use it, his neighbor below him or above him can appropriate it and take it away from him, ultimately. So here, I presume, if Arizona should not act, she perhaps would be prejudiced by this legislation in the sense that the acts carrying it out would result in appropriations by others. It would not be the act of Congress which

took away her rights, however, but the acts of appropriation following as a result of it.

Mr. HAYDEN. Mr. President, that is why we oppose the passage of a bill which authorizes large appropriations of money to construct a dam and other works which will inevitably lead to appropriations of water which are adverse to the State of Arizona, unless and until there is an agreement between Arizona and California apportioning those waters. We desire an agreement so that if Arizona is not in position to use her share of the water immediately, it will be reserved for her. In other words, Arizona's position in this matter is exactly and identically on all fours with the position of the States of the upper basin. We ask no more and no less in the way of protection from immediate development in California than do the States of the upper basin.

I understood the senior Senator from Colorado to say that the reason why he was willing to abide by a 6-State agreement, provided California was one of the six States that entered into the agreement, was because they feared California, and they did not fear immediate development in Arizona.

Mr. WATERMAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Colorado?

Mr. HAYDEN. I yield.

Mr. WATERMAN. In view of what the Senator from Idaho has just stated with reference to flood control I will say that that proposition, as I understand, is not fettering this legislation at all. I imagine that if this bill were framed for the purpose of flood control and flood control only, Arizona would not refuse to support that sort of legislation. When, however, you go in there and propose to put in this dam 550 feet high and propose to give the State of California 4,600,000 acre-feet of water out of the seven and a half million under the 7-State compact, Arizona says, "No; we are entitled to a greater proportion of the 7,500,000 acre-feet than that will allow." So what the Congress is doing is departing from the proposition of flood control as such and going to the basis of creating a great reservoir for storage and power purposes, with all the things that will follow the construction of power plants, and there is where the trouble arises.

Nobody, I presume, wants to oppose any legislation which will protect the situation from the menace of floods. While I know of no constitutional provision which warrants the Government in entering into the field of flood control, it has been practiced so long and has remained so long unquestioned that probably fundamentally the Congress has the power to do it. At any rate, it has been doing it all the time and nobody is complaining about it. So if we come back to the proposition of flood control and erect a dam in that river which will prevent floods or injury from floods, I imagine we will have no trouble with this legislation.

Mr. HAYDEN. There would be no objection at all on the part of the State of Arizona to the construction of a mere flood-control dam in the Colorado River to perform the Federal function of improving navigation or regulating interstate commerce. We have said consistently that to do that alone would be a waste of public funds; that it would be much better to combine with it the other advantages that could be obtained by building a larger and better dam which would furnish an income to the Federal Government from the sale of power.

We have had no major quarrel with the things that are proposed to be done so far as they are physical facts, but we quarrel with the ways and the means with which the dam itself would be operated, or the power plant would be operated, to the detriment of the State of Arizona. We have insisted that there must be some agreement with our sister State of California before the works at Boulder Canyon are constructed the operation of which would be detrimental to the State of Arizona and in violation of her rights.

Mr. FLETCHER. Mr. President, may I inquire of the Senator, as a practical matter, if it is proposed that these contracts shall be made with reference to the disposition of the water and the power, and whether the theory is that out of those contracts there shall arise a fund which will liquidate the amount which the Federal Government may put into the enterprise?

Mr. HAYDEN. That was the theory of the proponents of this bill in the beginning. That theory will have to be modified if the bill carries out the recommendations made by the Sibert engineering board, which reviewed the original plan. That board found that the original proposal was to have the receipts from power pay not only for the dam but for an irrigation canal, known as the all-American canal. Owing to the increased costs, the Sibert board found that such a plan would be economically unsound, and the Federal Government could not be reimbursed in the time specified in the bill. The

board reported that if the irrigation enterprise in the Imperial Valley and the Coachella Valley were eliminated, and it made to carry itself, and if a share of the cost of the dam were appropriated by Congress as a Federal contribution for flood control, then the remainder of the cost of the dam could be reimbursed within the 50-year period specified in the bill.

Mr. FLETCHER. Is it contemplated under the bill that the Federal Government will also construct the power plant or have anything to do with the plant itself?

Mr. HAYDEN. The bill as it passed the House authorizes and directs the Secretary of the Interior to build a power plant; he has no other alternative than to build a power plant. After it is once constructed the Secretary may lease the power plant or he may enter into contracts for the sale of power from the plant. Those are the provisions of the House bill. The Senate committee has proposed to amend the bill by a third alternative, that the Secretary of the Interior may lease the privilege of generating power from the water at the dam and allow somebody else than the Federal Government to build the power plant.

Mr. FLETCHER. The situation now is, though, that we have substituted the Senate bill for the House bill.

Mr. HAYDEN. We have stricken out all after the enacting clause of the House bill and are now perfecting the Senate bill as a substitute for the House bill.

Mr. FLETCHER. So that it would seem that if the bill passes this appropriation will amount to a contribution by the Federal Government of some hundred million dollars, which it never expects to get back.

Mr. HAYDEN. The only amendment which has been offered has been proposed by the Senator from Colorado [Mr. PHIPPS], who suggested \$25,000,000, not to be reimbursable. Am I correct in that assumption?

Mr. FLETCHER. If California is limited as to the amount of water she is to have, that necessarily limits the proceeds that could be derived from contracts disposing of that water, so that we could not expect to get revenue beyond a certain amount from the sale of water.

Mr. HAYDEN. Let me say to the Senator from Florida that there is absolutely no connection between the quantity of water which may be used for irrigation or for domestic purposes in California, as limited in this bill, and the amount of power which may be produced at Boulder Dam. All the water available would be utilized at the dam for power, and at another point lower down the stream the water would be divided between the States of Arizona and California and diverted for irrigation and domestic uses.

Mr. FLETCHER. Exactly; but, as I understand it, there will be some revenue derived from the sale of that water by contract.

Mr. HAYDEN. Only a nominal sum. The largest estimate I have seen is very much smaller than that of the revenue expected to be derived from power.

Mr. PHIPPS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. PHIPPS. The estimate of receipts from the use of water, aside from power, is \$1,500,000 per annum, and from the power, \$10,800,000 per annum. As to the definite contribution which I have proposed to be made by the Government for purposes of flood control, my suggestion was to designate \$25,000,000 of the advances as being for flood-control purposes, to be reimbursed after the other advances have been returned to the Government with interest. The Senate bill does not contemplate paying for the construction of the all-American canal out of power receipts. The Senate bill provides that that should be a burden upon the land to be benefited by irrigation. If the power plants were to be constructed, as proposed by the Senate bill, by the States, municipalities, or other political subdivisions, or private enterprise, that would eliminate another \$38,000,000, plus interest, or about \$45,000,000 altogether. So that the amount to be advanced by the Federal Government initially would not exceed perhaps \$75,000,000, of which \$25,000,000 would be allocated initially for purposes of flood control, to be repaid after the other amounts are repaid.

Mr. FLETCHER. May I ask the Senator if that has been agreed to, or is that still a matter that has to be determined by a vote of the amendment?

Mr. PHIPPS. The amendments which have been offered, cover all of those points. As to one, as to the all-American canal, nothing is required, because we are considering the Senate bill as recommended by the Senate committee. On the question of power, the Senate bill—and I think it requires slight amendment in form—has a power alternative, and by eliminating those two, and by providing the \$25,000,000 as an advance fund on account of flood control, we get down to a comparatively small figure to be repaid out of power proceeds.

Mr. HAYDEN. Mr. President, I want to make it perfectly clear to the Senate, so that there can be no misunderstanding of the attitude of the State of Arizona with respect to this legislation, that if a bill were passed based upon a 7-State compact the State of California might with propriety say, "Well, we are right back where we were before," and nothing would be done. But such is not the case. In the time intervening between the date when the Legislature of Arizona refused to ratify the original compact and the present time many important events have occurred. There have been conferences between the States, conferences particularly at Denver, under the kindly auspices of the governors of the upper basin States, and our differences were narrowed down until to-day the Senate, by a compromise, has suggested a settlement which brings the States within 200,000 acre-feet of their difference so far as the water in the main stream is concerned.

The question of whether the State of Arizona shall receive revenue equivalent to the taxes that would be paid if power were developed at the Boulder Canyon site by a private power company is conceded by those who represent the city of Los Angeles to be a just contention. The representatives of that city have stated to us frankly that, so far as the city of Los Angeles is concerned, if that city goes outside of the State of California to construct a power plant at this Government dam, it would expect to pay taxes upon that plant and upon the power generated there just as a private power company would. So that we are not far apart on principle. The same principle has been agreed to by every State in the basin except California. When the Pittman resolution was adopted at Denver that resolution stated that the States were entitled to compensation for the use of their lands and their waters if used to generate hydroelectric energy. So that it is not fair, it is not just, to say that if this bill passed with provision for a 7-State compact the State of Arizona would not ratify the compact.

Conditions have materially changed, and changed in such a manner that if the bill is a fair measure, a bill which represents the best judgment of the Congress of the United States, the State of Arizona will look upon it with favor. Although we are not in complete accord, we are close to an accord, and there is much more reason to expect that the State of Arizona would approve the Colorado River compact and put it into effect than there would be if accommodations had not been made on both sides in the intervening time.

I say to the Senate in all seriousness, in all sincerity, that the people of Arizona are as tired of this Colorado River controversy as the Senate itself may be. A controversy among seven States that lasts for seven years should be brought to an end. There can be no reason to doubt that all the parties to it are equally anxious to bring it to a close.

I know that the people of Arizona—and I have a right to speak for them on this occasion—are just as anxious to see that great natural resource, the Colorado River, brought into development as are the people of any other State in the Union, even though not a kilowatt-hour of power were ever transported over a transmission line into the State of Arizona; even though not an acre of new land were ever brought under irrigation by the water from the Colorado River. Nevertheless, if this bill will accomplish the wonderful results which its proponents claim will occur, if it will add not only a million but seven and a half million more to the population of Los Angeles; if it will add, as the chief of the bureau of power and light of the city of Los Angeles has said, ten to twelve billion dollars to the wealth of southern California; if that is to be the effect of this legislation, certainly we who live as neighbors to southern California could not fail to share in some way in their prosperity. Although we might not benefit directly, but indirectly, Arizona is bound to be benefited. Therefore, so far as the people of Arizona are concerned, the only way they can gain any advantage from the now wasted resources of the Colorado River is to have those resources put to use; to be developed.

We are not in disagreement about the main principle here involved. We are not in disagreement that the Colorado River is a flood menace. We do not disagree with the claim that power can be developed on that stream. We agree that water may be impounded and placed to beneficial use for the reclamation of arid lands. Our disagreement with the State of California is about details of the plan, and not upon the principle which underlies it.

Mr. FLETCHER. Mr. President, may I ask the Senator to state briefly, if he will, what, if any, has been the experience with reference to floods in that valley? Will he not give us an idea about the importance of flood control? Has there been any great devastation, any great trouble, arising from floods heretofore on the Colorado River? If so, I will ask the Senator to state when and where.

Mr. HAYDEN. The Colorado River on more than one occasion has broken out of its banks and entered the Imperial Valley. At no time has any considerable area of the Imperial Valley, particularly any cultivated part of that valley, been overflowed in the manner with which the Senator is familiar in streams in the southern part of the United States. When the stream broke the levee and entered the Imperial Valley it followed an old river channel which led into the Salton Sea. The only immediate effect of the break was, first, to increase the level of the Salton Sea very gradually by backing up the water, so that some farming land was, after a considerable length of time, covered with water.

Mr. FLETCHER. But that break in the levee occurred in Mexico, did it not?

Mr. HAYDEN. Yes; beyond the Mexican boundary line. A further effect of the break was to scour out the channel and prevent water from being diverted into the canal used in irrigating lands in the Imperial Valley, and that would be the most serious effect of a new break in the river.

The truth is, and it is a fact that is wholly unappreciated by many Senators, that the chief injury that would occur to the Imperial Valley by reason of a break in the levee would be a change in the channel of the Colorado River, so that instead of flowing into the Gulf of Mexico it would flow into the Salton Sea. There would be no reason for any person or any number of persons to lose their lives, nor would it be necessary for the people immediately to leave their homes. The effect would be that by scouring the channel below the level of the head gates of existing canals, water would cease to be available for cultivation of the crops by irrigation, and it would be a drought and not a flood that would drive the people now residents of Imperial Valley from their farms.

Mr. FLETCHER. Would the remedy be the building of the proposed dam?

Mr. HAYDEN. The dam would remedy that situation. In fact, it is the only remedy. There is no other way in which the flood waters of the Colorado River could be controlled except to impound the same at this point or some other point in the canyons of that stream above. That is the advice of all engineers who have reported to Congress upon the subject.

Mr. President, I think I have as fully explained the opposition of the State of Arizona to the 6-State ratification of the compact as time will permit. Unless some other Senator desires to address the Senate upon the subject I am willing that we shall have a vote on my amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Arizona [Mr. HAYDEN] to the amendment of the Senator from Colorado [Mr. PHIPPS].

Mr. ASHURST. I demand the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will state the pending amendment.

The CHIEF CLERK. The Senator from Arizona [Mr. HAYDEN] proposes to strike out of the amendment of the Senator from Colorado [Mr. PHIPPS] the following words:

if said States fail to ratify the said compact within one year from the date of the passage of this act then, until six of said States, including the State of California, shall ratify said compact and shall consent to waive the provisions of the first paragraph of Article XI of said compact, which makes the same binding and obligatory only when approved by each of the seven States signatory thereto, and shall have approved said compact without conditions save that of such 6-State approval, and the President by public proclamation shall have so declared, and, further,

Mr. ASHURST. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	McKellar	Shortridge
Barkley	Frazier	McMaster	Simmons
Bingham	George	McNary	Smith
Black	Gillett	Metcalf	Steck
Blaine	Glass	Moses	Steiwer
Bleas	Glenn	Neely	Swanson
Borah	Goff	Norris	Thomas, Idaho
Bratton	Hale	Nye	Trammell
Brookhart	Harris	Oddie	Tydings
Broussard	Harrison	Overman	Tyson
Bruce	Hawes	Phipps	Vandenberg
Capper	Hayden	Pittman	Wagner
Caraway	Heflin	Ransdell	Walsh, Mass.
Couzens	Johnson	Reed, Pa.	Walsh, Mont.
Curtis	Jones	Robinson, Ark.	Waterman
Deneen	Kendrick	Robinson, Ind.	Watson
Dill	Keyes	Sackett	Wheeler
Edge	King	Schall	
Edwards	Locher	Sheppard	

The VICE PRESIDENT. Seventy-four Senators having answered to their names, a quorum is present. The question is on the amendment of the Senator from Arizona to the amendment of the Senator from Colorado. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. WAGNER (when Mr. COPELAND's name was called). My colleague the senior Senator from New York [Mr. COPELAND] is detained from the Senate by illness in his family.

Mr. KING (when his name was called). The Senator from Minnesota [Mr. SHIPSTEAD] was called away from the Senate on business in connection with his official duties. I am paired with that Senator and by reason of that fact withhold my vote. If the Senator from Minnesota were present and voting, I think he would vote "nay." If I were permitted to vote, I should vote "yea."

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN], and therefore withhold my vote.

Mr. REED of Pennsylvania (when his name was called). I have a general pair with the Senator from Delaware [Mr. BAYARD]. I transfer that pair to the senior Senator from Wisconsin [Mr. LA FOLLETTE] and vote "nay."

Mr. TYDINGS (when his name was called). On this vote I have a pair with the senior Senator from Ohio [Mr. FESS]. I understand that if he were present he would vote "nay." If I were permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. BLAINE. I desire to announce that my colleague the senior Senator from Wisconsin [Mr. LA FOLLETTE] is unavoidably absent. If he were present, he would vote "nay."

The result was announced—yeas 17, nays 53, as follows:

YEAS—17

Ashurst	Edwards	Hayden	Tyson
Bleas	Fletcher	Heflin	Waterman
Broussard	Glass	Smith	
Bruce	Harris	Steck	
Caraway	Hawes	Trammell	

NAYS—53

Barkley	George	Metcalf	Sheppard
Bingham	Gillett	Moses	Shortridge
Black	Glenn	Neely	Simmons
Blaine	Goff	Norris	Steiwer
Borah	Hale	Nye	Swanson
Bratton	Harrison	Oddie	Thomas, Idaho
Brookhart	Johnson	Phipps	Vandenberg
Capper	Jones	Pittman	Walsh, Mass.
Couzens	Kendrick	Ransdell	Walsh, Mont.
Curtis	Keyes	Reed, Pa.	Watson
Deneen	Locher	Robinson, Ark.	Wheeler
Dill	McKellar	Robinson, Ind.	
Edge	McMaster	Sackett	
Frazier	McNary	Schall	

NOT VOTING—25

Bayard	Greene	Mayfield	Smoot
Copeland	Howell	Norbeck	Stephens
Dale	King	Overman	Thomas, Okla.
Fess	La Follette	Pine	Tydings
Gerry	Larrazolo	Reed, Mo.	Wagner
Gould	McLean	Shipstead	Warren

So Mr. HAYDEN's amendment to Mr. PHIPPS's amendment was rejected.

The VICE PRESIDENT. The question is on the amendment of the Senator from Colorado as amended.

Mr. ASHURST. I now propose an amendment to the amendment proposed by the Senator from Colorado.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 3, line 17, after the word "tributaries," it is proposed to insert the words "except the Gila River."

Mr. ASHURST. I shall read the paragraph of the amendment which I now propose to amend. It is the paragraph commencing in line 14 of the amendment proposed by the Senator from Colorado and reads as follows:

The Federal Power Commission is hereby directed not to issue or approve any permits or licenses under said Federal water power act upon or affecting the Colorado River or any of its tributaries in the States of Colorado, Wyoming, Utah, New Mexico, Nevada, Arizona, and California until this act shall become effective, as provided in section 4 herein.

The adoption of my amendment will be notice to the Federal Power Commission that it may, in its discretion, issue permits or licenses under the water power act upon the Gila River and the Gila tributaries.

Naturally, Senators may ask why I make an exception of the Gila River and its tributaries. In reply, let me say that the practical effect of the amendment of the Senator from Colorado in its present form is to penalize Arizona. The Senator's amendment is construed throughout the State of Arizona as an at-

tempt to force and coerce the Legislature of Arizona into ratifying the Colorado River compact.

If Senators will bear with me, I shall try to indicate by the map on the wall at the rear of the Chamber just the course of the Gila River.

The Gila River debouches into the Colorado River about a mile above the city of Yuma [indicating on map]. The Gila River, as Senators will see from the map [indicating], has its earliest sources and upper reaches in the mountains of east central Arizona, although some of the waters of the Gila River rise in New Mexico. Probably 15 per cent of the waters of the Gila come from New Mexico.

This [indicating] is a rugged, a rough country, and the Gila River [indicating] is formed by small alpine springs fed by snows and rains on the mountain tops.

At the town of Clifton, in Arizona, two important streams come together as tributaries of the Gila, whereupon the river proceeds across Arizona. It passes through the Gila Valley [indicating], where for more than 50 years industrious settlers have cultivated land by building irrigation ditches and using the waters of the Gila. Thus the thriving town of Safford, the county seat of Graham County, and the towns of Pima, Solomonsville, Thatcher, and Central and other communities have been built up.

The river then passes on, fed by other important tributaries, as may be perceived from the map, and enters the Box Canyon of the San Carlos. This arrow on the map [indicating] indicates the Coolidge Dam, which, Mr. President, was completed not over 20 days ago.

The reservoir created by the building of the Coolidge Dam is filling with water, and from the waters of this reservoir 100,000 acres of land, indicated by the green on this map, will be irrigated. Over half of that area is Indian land.

I digress at this juncture to say that the building of the Coolidge Dam was one of the wisest, most beneficent acts that the Government has lately performed. The Indians there—Pimas—never had a war or even a quarrel with the Federal Government. The Congress may, therefore, congratulate itself that it enacted legislation that takes care of the Indian rights and at the same time irrigates approximately 50,000 acres of other land.

The Gila River then flows on and forms a junction with the Salt River. This green tract [indicating] is the irrigated portions of the Salt River Valley. But, Mr. President, by the time these Gila River waters have done their duty and have served the various appropriations, the Gila River is at times so reduced in volume that when it debouches into the Colorado River it is sometimes nothing more than a trickle or small stream.

Now, it is proposed by the amendment of the Senator from Colorado that there shall be no power permits or licenses issued upon these little mountain streams making up the Gila and the Salt. To do that, Mr. President, would be an act of injustice to Arizona and to the Indians, and would not be of any help in leading to any early ratification of the compact, because the Gila River is going to make no contribution—it is impossible for it to do so—to the main stream of the Colorado River except in flood tide, and that is when the Colorado River least requires such contributions.

Although Arizona is rich in agriculture, livestock, and in minerals—indeed, in her hills and caverns there is more wealth than Ophir had to burden the mighty fleets of Solomon and Arizona produces one-sixth of the copper of the world—we do not as yet produce any coal or oil. We are hopeful of producing those fuels, but so far we have not done so. If our citizens and communities could be free to appeal to the Federal Power Commission to issue permits and licenses for the generation of hydroelectric power upon these little streams, it would be of immense benefit to Arizona.

I respectfully submit that this present provision in the bill would be construed merely as a threat, and an attempt to penalize Arizona, and would lead to no good result. I do not say that such is the intention of the protagonists of the legislation; but that would be its effect. Anything touching our waters in Arizona is like the most delicate nerve center of a human being. As I said the other day, there are times in our State when an acre of water is worth more than an acre of molten silver.

Members of the Senate Committee on Indian Affairs will recall that we had up this very question last winter, and it was discussed at length before the committee. I do not wish to appear vain or presumptuous, but I believe I convinced the Committee on Indian Affairs that it should, and it did, favorably report a bill which I introduced, permitting the Federal Power Commission to issue permits on these little streams.

What reason is there to deny us the right to ask the Federal Power Commission for licenses or permits to generate hydroelectric power upon streams that originate wholly within Arizona, and never reach Arizona's external boundaries?

Arizona is entering, indeed has entered, upon a great era of expansion and development. We have doubled our population since we were admitted into the Union. We have gridironed the State with good roads. Commodious, yea palatial, hotels are numerous. We have built school houses, a great university, and other similar evidences of growth. We are only asking power permits upon streams that originate wholly within Arizona, and the waters of which, except at flood tide, never reach the Colorado River; and when they do reach the Colorado River are an unwelcome visitor.

Mr. McKELLAR. Mr. President—

Mr. ASHURST. I yield to the Senator from Tennessee.

Mr. McKELLAR. Are those streams that are wholly within the Senator's State navigable?

Mr. ASHURST. No; Mr. President.

Mr. McKELLAR. Then what possible authority or jurisdiction would the Federal Water Power Commission have over such little streams, wholly within the State of Arizona?

Mr. ASHURST. That question was argued ably for three or four years here in the Senate when we were considering the water power act. A large number of Senators and Members of the other House of Congress argued that the Congress had no authority to interfere, but, be that as it may, the Federal water power act does give the Federal Power Commission the authority to issue permits.

Mr. McKELLAR. They may assume the authority, but I do not think they have it.

Mr. FLETCHER. Mr. President—

Mr. ASHURST. I yield to the Senator from Florida.

Mr. FLETCHER. The Senator mentioned, I think, two dams on the Gila River.

Mr. ASHURST. Yes.

Mr. FLETCHER. Is there no power generated there?

Mr. ASHURST. Yes; power is generated there. We will take first the Coolidge Dam, which, as I say, was completed not a fortnight ago and is now filling. Power will be generated there, because it would be uneconomical, unstatesmanlike, and a waste of energy to allow the water to pour over the dam and not generate such hydroelectric energy as could be there generated.

Mr. WHEELER. Does the Senator say they are generating it now?

Mr. ASHURST. No; they propose to do so.

Mr. NEELY. Mr. President, I beg the able and eloquent Senator from Arizona not to say "Salt River" again. It is a turbulent and turbid stream upon which some of us have just made a melancholy voyage. Therefore, in order that the Senator's words may, as usual, be like apples of gold in pictures of silver, let him avoid the repetition of the irritating name of Arizona's briny river. [Laughter.]

Mr. ASHURST. No one regrets more than I that the handsome and able Senator from West Virginia [Mr. NEELY] has taken an involuntary voyage upon the briny bosom of that stream—Salt River—upon whose crest so many statesmen have floated to the ocean of oblivion.

Mr. WHEELER. We all hope the Senator from West Virginia will come back.

Mr. ASHURST. Mr. President, on the Salt there is the Roosevelt project. I shall not pause to go into any extended description of it, more than to say that it is possibly one of the greatest irrigation projects in the United States. We in Arizona think it is the greatest. The power generated there is enormous. It is sold to adjacent mining companies and some is sold to the city of Phoenix.

Mr. McKELLAR. Is it a Government project?

Mr. ASHURST. The Government, under the reclamation law of 1902, advanced the money; but that project is paying back to the Government, without delay and without default, every penny the Government has advanced. The project has been turned over to the water users' association. It is not now controlled by the Federal Government but is controlled by the water users' association, and every year, or whenever the payments fall due, they are promptly made.

Mr. SMITH. Who compose that association?

Mr. ASHURST. The water users' association is an organization or corporation formed by the water users in which each acre has 1 vote; and they elect a 2-chambered legislature and elect a governor, which legislative body and executive control the destiny of the project.

Mr. McKELLAR. The Government, though, still owns the plant, does it?

Mr. ASHURST. The Salt River Valley Water Users' Association operate it, but it may be said to be hypothecated for the amount due to the Government, and the payments are being made without default and without delay.

Mr. SMITH. Do I understand the Senator, then, to say that those who use the water for irrigation purposes and for other pertinent purposes will be the owners of the plant when it shall have been liquidated?

Mr. ASHURST. Yes, sir; absolutely.

Mr. FLETCHER. Mr. President, may I ask the Senator why it is that you wish to except that river from this provision in the amendment, if in fact you are already using it for the development of water power, as you say?

Mr. McKELLAR. What is the language of the Senator's amendment?

Mr. ASHURST. The provision reads in this way:

The Federal Power Commission is hereby directed not to issue or approve any permits or licenses under said Federal water power act upon or affecting the Colorado River or any of its tributaries—

I propose to insert "except the Gila River."

Mr. ROBINSON of Arkansas. Mr. President, will the further development of power on the Gila River, or on the small streams tributary to it, interfere with the consummation of this project?

Mr. ASHURST. Not in the slightest degree; and I thank the able Senator for that question. It will at once occur to Senators, that the pouring of the water over the wheel, and the generation of hydroelectric energy, does not diminish the flow or deplete it, or deteriorate the waters.

Mr. BROOKHART. Mr. President, are there any power sites on the Gila River over which the power commission would have jurisdiction that are not now utilized?

Mr. WHEELER. Do they not have that right now, under the Federal water power act?

Mr. ASHURST. Yes; but this amendment would deprive the water power commission of the power to issue permits.

Mr. SMITH. Mr. President, before the Senator leaves that point about the Roosevelt Dam, as I understand, the water users are gradually getting control.

Mr. ASHURST. Yes, sir.

Mr. SMITH. Do I understand the Senator to say that the power incident to the dam erected for the purpose of irrigation is controlled by them and sold by them for the purpose of liquidating their indebtedness?

Mr. ASHURST. Yes, sir.

Mr. SMITH. So that they own all the power that is generated?

Mr. ASHURST. Yes, sir.

Mr. SMITH. They have the use of the water?

Mr. ASHURST. Yes, sir.

Mr. SMITH. And from such revenues as they receive they are liquidating the amount of the Government loan; and when they shall have canceled that, then they own it in fee?

Mr. ASHURST. Absolutely.

Mr. McKELLAR. Now, Mr. President, I want to ask the Senator if the land upon which run these little streams flowing into the Gila River are public lands or private lands?

Mr. ASHURST. A very small percentage of the land is private. A vast deal of it is public land or is some sort of a reservation, such as a forest reservation or an Indian reservation.

Mr. McKELLAR. Of course, under those circumstances the Government would have absolute control.

Mr. ASHURST. Absolute; yes, sir.

Mr. McKELLAR. And therefore the Senator's amendment would be proper.

Mr. BLAINE. Mr. President—

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from Arizona yield to the Senator from Wisconsin?

Mr. ASHURST. I yield.

Mr. BLAINE. Am I mistaken in the suggestion that has been made that Congress passed an act that placed an embargo upon the issuing of permits on the Colorado River, including the Gila, which will not expire until March, 1929?

Mr. ASHURST. The Senator is not mistaken.

Mr. BLAINE. The purpose of this is to continue that prohibition until one year after the act comes into effect?

Mr. ASHURST. Yes; that would be the effect of this provision offered by the Senator from Colorado.

Mr. BLAINE. Then am I right in this conclusion that the same reason for Congress passing an act imposing the embargo for two years would apply for imposing the embargo for another year in view of the adoption of this measure?

Mr. ASHURST. The same reasons, I presume, motivating those who wished the embargo would apply; but although

Arizona has opposed—and thinks she is correct in opposing—an embargo on the main stream, she realizes the futility of now attempting to make the correction in that regard.

We have not particularly quarreled with that. But it so happens that in the application of the embargo they have worked, and they continue to work, a great injustice on an innocent part of the State, hampering, seriously hampering, the progress of the State.

Suppose the Federal Power Commission were to grant permits to generate power on these little streams. The Boulder Dam project need fear no competition, because it is 400 or more miles away. So you need not fear competition.

Mr. WHEELER. On what theory do they want to prevent you from doing it?

Mr. ASHURST. I suppose there is the thought in their minds that it might come into competition with the power generated at Boulder. In reply to that, that power would not be ready for delivery at Boulder for four years.

Mr. REED of Missouri. Suppose it did come into competition with power generated at Boulder; what harm would that do to the public?

Mr. ASHURST. Not the slightest.

Mr. BROOKHART. Are there not some power sites on the Little Colorado?

Mr. ASHURST. Yes.

There has been a vote to-day in which the Senate increased Arizona's supply of water 200,000 acre-feet. You reached that conclusion in the belief that it might lead to a composition of the difficulties, and, gentlemen of the Senate, believe me when I say that if you have grown impatient with the Senators from the seven Colorado River Basin States, if they have vexed you and have split the ears of Senators, remember that the Colorado River Basin is an empire larger in extent than that which Pizarro gave to Peru, and richer than all the empires of the Caesars. If, therefore, four or five years' delay has occurred, that is only natural. You are dealing not with millions but you are dealing with an inland empire that within its bosom has billions of dollars of wealth of all kinds.

If the bill in bald and harsh terms says, "You are not going to be allowed to apply for power permits on the upper reaches of the Gila River," when every well-informed person in the United States knows that the waters of the Gila can never in a practical way become involved with the waters of the Colorado River, except as a menace, it looks to a wayfaring man as if there is some sort of reprisal, some sort of coercion or threat, although you and I know such is not intended.

Therefore not pledging myself as to what I shall do on other features of the bill, even if you should adopt this amendment, because we can not bargain on such an important matter, I do say, adopt this amendment and you have ameliorated and you have softened the situation somewhat.

I will ask the Secretary to read a telegram from the Governor of Arizona on this subject, and my colleague has received a like message.

The PRESIDING OFFICER. The Secretary will read.

The legislative clerk read as follows:

PHOENIX, ARIZ., December 8, 1928.

Senator HENRY F. ASHURST,

United States Senate, Washington, D. C.:

Press reports that Congressman TAYLOR has introduced resolution to bar Federal Power Commission from granting permits for development on Colorado River and its tributaries until 7-State compact is ratified. We have no objection to this resolution so far as it applies to the Colorado River above the mouth of the Gila. Attempt to apply it to the Gila can only be construed as harassment of Arizona. As matters now stand New Mexico and Arizona are only States concerned in development of Gila. Arizona Legislature has appropriated money to meet Federal appropriation and New Mexico appropriation for exploration of Upper Gila. Waters of Gila River are now overappropriated. Litigation is being carried on concerning return flow. Forbidding development power on Gila would result in curtailing development projects already started, and using water already appropriated to its maximum efficiency. Gila and its tributaries, particularly the Agua Fria and Verde and the Salt, should not be prevented from development as proposed in Taylor resolution.

GEO. W. P. HUNT, Governor.

Mr. PHIPPS. Mr. President, the language of that telegram is not new to me; I was favored with a copy of it, which, I believe, came in yesterday. But that action in the other body, in the House of Representatives, by Congressman TAYLOR, from my own State, has nothing really to do with this measure before us, nor did I have his proposal in mind when this amendment was introduced.

Mr. President, the purpose of this amendment is merely to continue the existing embargo against the granting of power per-

mits by the Federal Power Commission from the time of the expiration of the embargo, March 4 next, until this bill can become effective.

There was no attempt to distinguish as between the States of the basin or between the particular rivers or the tributaries; they are all taken in. So that the division of water, the flow of the stream, the appropriations, would not be affected by any new permits until the States came into agreement, if this legislation were adopted. The language is the same and the purpose is the same.

Mr. NORRIS. Mr. President, may I ask the Senator a question?

Mr. PHIPPS. I yield.

Mr. NORRIS. I would like to inquire of the Senator what possible effect it would have upon this legislation to build a dam particularly in a stream that flows into the Colorado River below this dam?

Mr. PHIPPS. I was about to come to that point. The claim that the Gila River should be considered separately from other tributaries of the Colorado River is because the waters can not be used by any other State. As a matter of fact, they are utilized to-day because the Gila flows into the Colorado main stream about 1 mile above Yuma and above the intake of the Mexican canal which irrigates the Imperial Valley.

Mr. McKELLAR. Mr. President—

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Tennessee?

Mr. PHIPPS. I yield.

Mr. McKELLAR. Can dams be built below where the Gila flows into the Colorado?

Mr. PHIPPS. Not a permanent structure that would be considered safe, on account of the depth of the soil.

Mr. McKELLAR. Then, if that is so, the water would just flow over the dam and there would be no particular loss of water, or at least it would be inconsequential?

Mr. PHIPPS. The Senator is anticipating the point I wanted to make. As a matter of fact legislation was under consideration and was pending last year and, as the Senator from Arizona stated, our Committee on Indian Affairs approved a bill that would allow a diversion and a use of the water of one of the tributaries of the Gila River.

Mr. ASHURST. Mr. President, will the Senator permit an interruption?

Mr. PHIPPS. Certainly.

Mr. ASHURST. The Senator of course is trying to be fair. The diversion was not for agricultural or domestic use, but just for the water to go over a wheel and return to the stream, not in any way to deplete the stream.

Mr. PHIPPS. To lay this tributary of the Colorado, the Gila River, open to further development while this dispute is on means that Arizona could perfect her rights, could institute a new irrigation project, and that inevitably affects the claims of Arizona as against California for the amount of water that is being put to a beneficial use. When the first embargo was put on over two years ago the purpose was to hold matters in statu quo until an agreement could be arrived at with reference to a division of the water.

Mr. NORRIS. I can see how it might have some effect. We ought not, while this legislation is pending, permit the building of a dam above this dam or so close below it that it would interfere with its operation or so that it might back the water up and interfere with the land we are going to irrigate with this dam. I can see how that would be appropriate, but I can not understand why we should say, if Arizona or anybody in Arizona wants to build a dam on the Gila River or any other stream that flows into the Colorado below the place where this dam provided in the bill is to be erected, that they should not be permitted to do it. Suppose Arizona does take out water even for irrigation from the river, what harm does that do? Why should we interfere with that? What has that to do with this pending legislation?

Mr. PHIPPS. It has something to do with it. The Gila River rises in Arizona. Some of the tributary streams and small creeks rise in Arizona, but some of them rise in New Mexico. New Mexico also has projects which she desires to develop on the Gila River.

Mr. NORRIS. Suppose she does develop them.

Mr. PHIPPS. That would affect the balance of the water appropriations between New Mexico and Arizona. This would affect the appropriations of water as between Arizona and California.

Mr. NORRIS. The Senator is now talking about irrigation schemes, but the amendment only applies to water power.

Mr. PHIPPS. It is possibly limited by the amendment to water power, but I do not think there is any question that the ultimate object is to use the water for purposes of irrigation.

If we give permission to erect a dam in the stream any place where there are irrigable lands lower down under tributaries to it, beyond any question of doubt it is only a matter of time until that water will be utilized for purposes of irrigation.

Mr. NORRIS. Personally I do not see any objection to using it in that way, but this legislation would not apply to that situation. Here it is proposed merely to build a dam and let water flow over it to generate electricity. It does not contemplate depleting the waters. The waters are there just the same. Any person who has a right farther down stream has not been injured in any way.

Mr. ROBINSON of Arkansas. The water goes on down and irrigates the land.

Mr. NORRIS. The Gila River flows into the Colorado River many miles below where it is intended to build this dam. This dam can not affect the waters of the Gila River. That is an impossibility.

Mr. PHIPPS. If it were only a question of one dam and the water were to be used for power purposes alone, that would be a different question.

The other States have streams which they desire to develop. There is at least one enterprise in Utah that is being held in abeyance pending the settlement of this question. There are one or two small projects in Colorado that I have heard of. There is a case where a deal was pending for the sale of land, and when it was found that this embargo existed all negotiations were called off. There is no thought of singling out the Gila River or any other stream in writing this provision into the amendment. It was simply to continue the law we have been living under for the last two years until the bill can become effective.

Let me say further with reference to the Gila River that there were people of my own State who recommended that the appropriations for the Coolidge Dam on the Gila River should be withheld until this water controversy between Arizona and California could be settled. There are many people to-day—and there may be some Senators—who feel that if we had refused to go ahead with the Coolidge Dam or had withheld the appropriation until the question of Boulder Dam could have been settled, Arizona would have been a signer of the 7-State compact to-day.

Mr. HAYDEN. Mr. President, if the Senator will yield to me—

Mr. PHIPPS. Certainly.

Mr. HAYDEN. I can assure him that the State of Arizona would have used no such coercion.

Mr. PHIPPS. Arizona was asking really more than she was entitled to when she put forth so strenuously her claims for governmental appropriations to build that great structure on the Gila River while at the same time she was fighting the construction of Boulder Dam. It affected many other States as well as Arizona.

Mr. HAYDEN. I can assure the Senator that the authorization for the construction of the Coolidge Dam has changed public opinion in Arizona and made it much more favorable to the ratification of the Colorado River compact and the approval of the plan proposed in this bill than any other single act that has taken place. In other words, the State of Arizona would not be coerced. On the other hand, if treated justly it would be glad to meet the situation.

Mr. PHIPPS. I think the development of the Gila River can well afford to wait for another six months until this bill has become effective as a law. I could not agree to accept the amendment offered to my amendment.

Mr. SMITH. Mr. President, I should like to ask the Senator from Arizona [Mr. HAYDEN] a question. According to the showing made by the water users and power users at the Roosevelt Dam, handed to me to-day by the Senator from California [Mr. JOHNSON], it is only a question of a short time until the water users will have liquidated the amount that the Government put into the Roosevelt Dam. In the meantime they will have had the beneficial results accruing from irrigation and the profits accruing from the sale of power to help them liquidate. It seems to me if the showing made there is correct, including something over \$700,000 in the last few days in one check, that that should go largely toward allaying the fears of the people of Arizona that a Government project and a people's project can not be a success.

Mr. HAYDEN. I thoroughly agree with the Senator.

Mr. BRATTON. Mr. President, we are dealing with the Colorado River system; that is to say, the main stream and its tributaries. A joint resolution was passed by Congress and approved March 4, 1927, in this language:

Resolved, That the Federal Power Commission is hereby directed not to issue or approve any permits or licenses under the provisions of the act of Congress approved June 10, 1920, known as the Federal water

power act, upon or affecting the Colorado River or any of its tributaries in the States of Colorado, Wyoming, Utah, New Mexico, Nevada, Arizona, and California until and unless the Colorado River compact, signed at Santa Fe, N. Mex., November 24, 1922, pursuant to the act of Congress approved August 19, 1921, has been approved by the Congress of the United States or in the event said compact is not sooner approved until March 5, 1929.

So that two years ago, anticipating the many confusing and complicated angles of the problem confronting us, we enacted a joint resolution suspending the operation of the water power act as to the Colorado River and all of its tributaries, including the Gila River. We decided then, that it was conducive to a just resolution of the whole problem to suspend the granting of additional power permits in order that the status quo might be preserved until a final solution was offered. We did that two years ago. The embargo is in effect now. It expires March 4 of next year.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. BRATTON. Certainly.

Mr. HAYDEN. The Senator will remember that that action was taken by unanimous consent of both Houses, and that neither the senior Senator from Arizona nor the Congressman from Arizona at that time objected.

Mr. BRATTON. Yes. That emphasizes that if it was sound then, it is sound now.

Mr. HAYDEN. Only to this extent, if the Senator will pardon me, that in the meantime under the operation of that joint resolution, we found a legitimate power development in Arizona interfered with in a manner that we thought to be unfair, and now we are willing, so far as the main objection is concerned, to have the same embargo applied.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BRATTON. Certainly.

Mr. NORRIS. The Senator said in substance, that if it was good to have this embargo two years ago it is good now; but I think he will have to concede that the fact that we passed such a joint resolution is not conclusive evidence that it was good even then.

Mr. BRATTON. Oh, no.

Mr. NORRIS. If my attention had been called to it—

Mr. ROBINSON of Arkansas. And the further fact that we placed a limitation in it is almost conclusive that it was not the intention of Congress that it should be continued indefinitely.

Mr. NORRIS. It seems to me that way. So far as I am concerned, I should like to say to the Senator from New Mexico that I think I am consistent in supporting this legislation. However, I do not want to take any action or to put anything in the bill that to my mind is unjust. I can not see the justice of the provision that is in the amendment offered by the Senator from Colorado. So far as I am able to see, I would support an amendment to that proposed amendment that would exclude every stream that flows into the Colorado River below the proposed site of this dam. I can not see how that would interfere with it or how it could have any connection with it. The Senator from Arizona said that he thought those who were behind it fear that it would get into competition with the power generated at the Boulder Dam. I can not see how any Senator could sustain a proposition of that kind.

So far as I am concerned, while I want to build the dam and should like to see the Government do it and do it right away. I do not mean by that action that I want to prevent anybody else from building a dam anywhere else on earth. The more competition we can get the better it will suit me. I do not suppose the Senator from New Mexico bases this amendment on any ground of that kind. I do not know whether any other Senator does, and I would not have mentioned it if it had not been suggested by the Senator from Arizona. I wish the Senator would tell us how the building of a power dam on any of the tributaries below can possibly have any effect upon the dam that is proposed in this bill to be built on the Colorado River.

Mr. BRATTON. Mr. President, so far as competition with the power generated at the Black Canyon site is concerned, I can assure the Senator from Nebraska that I have no interest in that whatever—no more than has he. I am not moved in my opposition to the proposed amendment by any such consideration.

If the Senator will permit me to continue, this is an interstate stream; about 20 per cent of its water rises in my State. We have power sites in my State, and we think it is unjust to let Arizona have the opportunity to acquire prior rights upon a stream that is interstate in character when we contribute a part of the water and are willing to have other streams in our State, interstate in character, a part of this system, remain under the embargo.

Mr. NORRIS. I should like to say to the Senator that I agree with him entirely that we ought not to give an advantage to the power sites in Arizona over those in New Mexico, but does not the amendment to the amendment permit the building of a power dam in New Mexico on the Gila River just as it does in Arizona?

Mr. BRATTON. Yes.

Mr. NORRIS. Then, it seems to me the States are on an equality.

Mr. BRATTON. But this is a part of the system, and I think that if we are going to apply the embargo until the bill goes into effect it should apply to the whole.

Furthermore, let me call the attention of Senators to the fact that last May we passed an act authorizing an appropriation of \$12,500 to be used by the Secretary of the Interior in making a survey of this very stream system for the purpose of determining its possibilities for irrigation and other purposes in the States of New Mexico and Arizona, and we provided that a like sum should be furnished from local sources.

Following that, the two States have entered into negotiations looking to raising the other \$12,500, so that when we match the appropriation of the Federal Government thus made a survey of the stream system will be made by the Secretary of the Interior to determine the best uses to which the water of the stream can be put. We have embarked upon that program in developing the Gila River. That law was passed during the last session of the Congress. It was approved on May 25, 1928. Nothing has been done under it because the legislatures of the two States have not met to make their appropriations.

Mr. HAYDEN. Will the Senator pardon an interruption?

Mr. BRATTON. Let me continue—

Mr. HAYDEN. I should like to advise the Senator that the Legislature of Arizona is in session and it has appropriated Arizona's share of that fund.

Mr. BRATTON. I thank the Senator for that information, and I modify my statement by saying that the Legislature of New Mexico has not yet met, but will meet next January, and it is expected that New Mexico's share of the money will then be appropriated, so that the survey of the river may be made.

In view of the fact that it is a part of the system that is giving rise to so much controversy, that it is an interstate stream, with the two States possessing power possibilities and irrigation possibilities, the principle of embargo for power purposes applies. One State may advance more rapidly than the other for purposes of reclamation and irrigation and acquire prior rights; one State may advance more rapidly than the other for power purposes and acquire prior rights under the doctrine of prior appropriation. I can not see why this stream should be exempted if the other tributaries are to go with the main stream and to share the burden placed upon the main stream under the compact.

Furthermore, this will constitute an abrogation of the compact to that extent, because so long as one State declines to ratify and stays on the outside she can acquire prior rights both for irrigation and power and assert them against other States that have ratified. If we are proceeding upon the theory of a compact settling the whole question, we should continue the present situation as nearly as possible until that can be done.

Far be it from me to pursue a course which I think is unfair to Arizona, a neighboring State to the west, but we are jointly interested in the whole system and the embargo should be continued until the compact is put into force. It should not be released as to an interstate stream of which one State produces 20 per cent of the volume of water and has power sites and applied as to the other tributaries of the stream. If an unusual situation should arise such as the Senator from Arizona referred to a while ago, where some of the power could be used in behalf of the Indians, it easily and quickly could be dealt with through a special act lifting the embargo as to the particular project; but that we should not single out this system and make an exception of it and release it from the terms of the embargo.

Mr. ASHURST. Mr. President, I ask for the yeas and nays upon my amendment.

Mr. BRATTON and Mr. PHIPPS. Let us have the yeas and nays.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Arizona [Mr. ASHURST] to the amendment proposed by the Senator from Colorado [Mr. PHIPPS], on which the yeas and nays are demanded.

The yeas and nays were ordered.

Mr. SMITH. May the amendment to the amendment be stated before the vote is taken?

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed by the Senator from Arizona [Mr. ASHURST] to amend the amendment offered by the Senator from Colorado [Mr. PHIPPS], on page 3, line 17, after the word "tributaries," by inserting the words "except the Gila River," so as to read:

The Federal Power Commission is hereby directed not to issue or approve any permits or licenses under said Federal water power act upon or affecting the Colorado River or any of its tributaries except the Gila River in the States of Colorado, Wyoming, Utah, New Mexico, Nevada, Arizona, and California until this act shall become effective, as provided in section 4 herein.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KING (when his name was called). I have a general pair for the afternoon with the Senator from Minnesota [Mr. SHIPSTEAD]. Not knowing how he would vote upon this question, I withhold my vote.

Mr. OVERMAN (when his name was called). As before announced, I have a general pair with the senior Senator from Wyoming [Mr. WARREN], and therefore withhold my vote.

Mr. REED of Pennsylvania (when his name was called). I transfer my general pair with the Senator from Delaware [Mr. BAYARD] to the Senator from South Dakota [Mr. NORBECK], and will vote. I vote "nay."

Mr. WHEELER (when the name of Mr. WALSH of Montana was called). My colleague [Mr. WALSH of Montana] is unavoidably absent. If he were present, he would vote "yea."

The roll call was concluded.

Mr. TYDINGS. I have a general pair with the senior Senator from Ohio [Mr. FESS]. I transfer that pair to the senior Senator from Montana [Mr. WALSH], and will vote. I vote "yea."

Mr. JONES. The senior Senator from Kansas [Mr. CURTIS] is necessarily absent. He is paired on this question with the Senator from Kentucky [Mr. BARKLEY]. If the Senator from Kansas were present, he would vote "nay" on this amendment.

I also desire to announce the following pairs on this amendment:

The Senator from Wisconsin [Mr. LA FOLLETTE] with the Senator from Mississippi [Mr. HARRISON];

The Senator from Massachusetts [Mr. GILLET] with the Senator from Tennessee [Mr. TYSON];

The Senator from New York [Mr. COPELAND] with the Senator from Rhode Island [Mr. GERRY]; and

The Senator from New Mexico [Mr. LARRAZOLO] with the Senator from Mississippi [Mr. STEPHENS].

Mr. ROBINSON of Arkansas. Mr. President, I desire to announce that the senior Senator from New York [Mr. COPELAND] is necessarily detained by illness in his family.

I also desire to announce that the junior Senator from Arkansas [Mr. CARAWAY], the junior Senator from Mississippi [Mr. STEPHENS], the senior Senator from Mississippi [Mr. HARRISON], and the junior Senator from Tennessee [Mr. TYSON] are detained on official business.

The result was announced—yeas 33, nays 28, as follows:

YEAS—33

Ashurst	George	Pine	Trammell
Black	Glass	Ransdell	Tydings
Blaine	Glenn	Reed, Mo.	Wagner
Borah	Harris	Robinson, Ark.	Walsh, Mass.
Brookhart	Hayden	Simmons	Waterman
Broussard	Heflin	Smith	Wheeler
Bruce	McKellar	Smoot	
Dill	Neely	Steck	
Fletcher	Norris	Swanson	

NAYS—28

Bingham	Johnson	Moses	Schall
Bratton	Jones	Nye	Sheppard
Capper	Kendrick	Oddie	Shortridge
Couzens	Keyes	Phipps	Stelwer
Frazier	McMaster	Reed, Pa.	Thomas, Idaho
Goff	McNary	Robinson, Ind.	Vandenberg
Hale	Metcalf	Sackett	Watson

NOT VOTING—34

Barkley	Edwards	King	Shipstead
Bayard	Fess	La Follette	Stephens
Blease	Gerry	Larrazolo	Thomas, Okla.
Caraway	Gillett	Locher	Tyson
Copeland	Gould	McLean	Walsh, Mont.
Curtis	Greene	Mayfield	Warren
Dale	Harrison	Norbeck	
Deneen	Hawes	Overman	
Edge	Howell	Pittman	

So Mr. ASHURST's amendment to Mr. PHIPPS's amendment was agreed to.

The VICE PRESIDENT. The question is on the amendment of the Senator from Colorado, as amended.

Mr. PHIPPS. Mr. President, a parliamentary inquiry. I understand that the junior Senator from Arizona [Mr. HAYDEN] has presented another amendment to the pending amendment

which he desired to have printed and go over until to-morrow. As I take it, it is an important part of the pending amendment. I desire to know if it would be in order to ask that this amendment be passed over temporarily until to-morrow, and in the meantime that other amendments be proceeded with?

The VICE PRESIDENT. It would be in order.

Mr. PHIPPS. I then make that request; and I send to the desk an amendment which I should like to have considered at this time.

Mr. McKELLAR. Mr. President, I did not hear the Senator's request. What was it—to postpone action on this amendment?

Mr. PHIPPS. To postpone action on the pending amendment until to-morrow, so that the further amendment offered by the Senator from Arizona may be printed.

Mr. HAYDEN. I greatly appreciate the courtesy of the Senator from Colorado in that matter.

Mr. PHIPPS. Do not mention it. I send to the desk an amendment which I ask to have stated.

The VICE PRESIDENT. The Senator from Colorado offers an amendment, which will be stated.

The CHIEF CLERK. On page 3, line 11, it is proposed to strike out the figures "\$125,000,000," and to insert the following:

\$165,000,000. Of this amount the sum of \$25,000,000 shall be allocated to flood-control, and shall not be repaid to the United States except out of revenues, if any, in excess of the amount necessary to meet periodical payments during the period of amortization as provided in section 4 of this act.

On page 4, line 21, strike out the figures "\$125,000,000" and insert "\$165,000,000."

Mr. PHIPPS. Mr. President, if I may state briefly my views about this matter, repeating in part what I told the Senate a day or two ago when this amendment was proposed, instead of adopting the total figure of \$176,000,000, the full authorization indicated by the report of the commission that has been presented to the Senate, the best information I could get convinced me that it would not be necessary to go beyond the figure of \$165,000,000, for the reason that there are possibilities of the adoption of an alternative route for the all-American canal, and in all probability action on that would be delayed for some time. So, following this amendment, I have another which would give to the department the authority to proceed with the main construction work—that is to say, the dam proper—so soon as the department had satisfied itself that it would come within the provisions of the act for repayment.

The further amount estimated for the power plants, if constructed by private enterprise, would not have to be advanced by the Federal Government; so, assuming that the power plants would be built by private enterprise or by the States or municipalities, and that the work on the all-American canal, which will be a charge against the properties when constructed, would in all probability be deferred for a time at least, I figure that the amount which might be required for expenditure during the construction of the dam proper would be, in round figures, about \$75,000,000.

I have given my reason for believing that the amount of \$25,000,000 included in that figure should be considered as a deferred payment, namely, that the Federal Government certainly has an obligation resting upon it to provide flood control for the lower reaches of the Colorado River territory; and the figure of \$25,000,000 is a little less than the figure which has been estimated as the cost of a dam located at the most convenient and available point for the purposes of flood control alone.

Mr. President, I believe this to be a proper amendment, in proper form. I have consulted many of the Senators interested, and I trust the amendment will receive the approval of the Senate.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. PHIPPS. I yield.

Mr. HAYDEN. My understanding from reading the report of the board of engineers who examined the estimates for this project is that they recommended a Federal appropriation in the nature of a contribution for flood control. The Senator's amendment does that.

Mr. PHIPPS. True.

Mr. HAYDEN. But the amendment goes on and says that if there should be some excess revenues, then the Federal Government should be reimbursed for its contribution toward flood control. There is no reimbursement to the United States for flood-control appropriations on the Mississippi River or any other river in the United States. Why is it necessary to add the words that the Senator adds in his amendment—

except out of revenues, if any, in excess of the amount necessary to meet periodical payments during the period of amortization as provided in section 4?

Upon what theory does the Senator suggest the addition of those words?

Mr. PHIPPS. If there is more than necessary in the way of receipts from the revenues, why should it not be devoted to reimbursement to the Government for its advances? Otherwise, what would become of the money?

Mr. HAYDEN. But if there were excess revenues, where could the money go, otherwise than in the Treasury of the United States? Of course it would go into the Treasury of the United States. It could not go anywhere else.

Mr. PHIPPS. That is true.

Mr. HAYDEN. So it is not necessary to specify it in this bill.

Mr. PHIPPS. I do not see that there could be any objection to it. It seems to me to be a proper phrase to use. I think it gives a different appearance to the picture. In one case you make the flat contribution, and those who look at it say, "Well, there is no hope of ever getting back this money." This does, perhaps, afford some little hope that it will be returned. Personally, I believe that in time it will be returned from the revenues from that dam structure.

Mr. HAYDEN. But as the bill is now drafted there is a provision that if there are excess revenues, 37½ per cent of the excess revenues shall be divided between the States of Arizona and Nevada. The remainder of the excess revenues must be deposited in the Treasury of the United States. That is the only place where the money could go.

Mr. PHIPPS. The language of this amendment would not diminish the percentage that is provided in one clause of the bill for the States of Nevada and Arizona.

Mr. HAYDEN. It seems to me that the way to handle the matter is to provide that the \$25,000,000 allocated to flood control shall not be repaid to the United States, and stop right there. Congress would not then be setting up any policy that is different from any other flood-control appropriation in the United States. To do otherwise would establish a precedent that may prove to be embarrassing on some other river.

Mr. JONES. Mr. President, I think it is hardly correct for the Senator from Arizona to say that there is no contribution to flood control on the Mississippi. There was no provision in the bill that we passed at the last session to that effect, but that was based squarely upon the proposition that the people affected had already contributed something like \$200,000,000 toward flood control, and the act itself reaffirmed expressly the doctrine of contribution.

Mr. HAYDEN. In this instance there will be a contribution paid out of the pockets of the consumers of power generated at this dam, paid out of the pockets of farmers who use water from the dam if there is a charge for irrigation water, and paid out of the pockets of the citizens of Los Angeles and other municipalities in southern California who may use domestic water from this dam in case there is a charge for service of that kind. So there is a contribution from other sources, and the only part of it not reimbursable is \$25,000,000 out of a total of \$165,000,000.

Mr. JONES. I made that statement because the statement the Senator made a moment ago seemed to be very broad, that there should be no contribution for flood control, and that there was no contribution required on the Mississippi, when, as a matter of fact, it was set out that the people down there had already contributed \$200,000,000.

Mr. HAYDEN. I thank the Senator from Washington for correcting me, because I want to be accurate in my statements.

In this case there is to be reimbursement, and, according to the plan of the senior Senator from California, certain reimbursement for the construction cost of this dam. The part of the cost of the dam required to be repaid will be repaid from power and from other sources. That amount will be repaid, and it will not be any ultimate expense to the Government of the United States. So that out of a total appropriation of \$165,000,000 the Federal Government will contribute only \$25,000,000. Why not make the appropriation as a Federal contribution for flood control and stop right there?

Mr. PHIPPS. Mr. President, I do not take the same view the Senator has expressed with regard to the effect of this language. I do not believe it will increase at all the rates that will be charged for hydroelectric power, the storage charge that will be made for desilting and conserving the water in the dam, or the charge for water for potable or irrigation uses. Those matters will have to be figured on what competition means in the power business, in the first instance, which is the largest item. The other charges will have to be made on a reasonable basis, and be what the users of the water can stand and afford to pay.

Of course, I can realize that any amendment or any bill which the Senator might draft I could go over and perhaps frame in different language, but, as the Senator admits, the

effect in the long run is the same. It will not affect the amount of charges for power produced or for the storage of water or anything else, in my judgment.

Mr. HAYDEN. In making that statement the Senator has raised a second objection that I have to the incorporation of those words. The first objection is that if his premise is sound they mean nothing; without them nothing would be done more than would otherwise be done, because the excess revenues would be deposited in the Treasury, and that is all there is to it. But if including these words would have the effect of causing the Secretary of the Interior, in making a contract for the sale of power, to feel it incumbent upon himself to acquire excess revenues, if possible, then the consumers of power in southern California will be required to pay more for their power than otherwise.

Mr. JOHNSON. Do I understand the Senator to display a tender solicitude for the consumers of power in southern California?

Mr. HAYDEN. I have, indeed. We consider them our best customers.

Mr. JOHNSON. I can not tell the Senator how much I appreciate that solicitude! It does infinite credit not only to the smiling countenance of the Senator from Arizona but to his desire to be eminently fair and just to southern California.

Mr. HAYDEN. I thank the Senator.

Mr. PHIPPS. Mr. President, it seems to me that it was advisable to have that repayment provision in the amendment, but that it should be conditional, so that if the money were to be returned it would be out of surplus revenues. That refers to revenues over and above the amounts required to amortize the other portion of the advances.

Mr. HAYDEN. In all seriousness, it seems to me to be objectionable to retain the language, because so long as this language is in the bill it will be construed to mean that an effort will be made to obtain greater revenues in order that the United States may be reimbursed for the expenditures made for flood control.

Mr. PHIPPS. If so, the net result would be that the revenues to the States of Nevada and Arizona would be increased proportionately, because they would take down 37½ per cent of those surplus revenues; so that the Senator is rather hoist on his own petard, it seems to me.

Mr. HAYDEN. If I were quite certain that that were the fact I would not object.

Mr. PHIPPS. I do not see how it can be construed otherwise. This does not provide that before revenues are paid to Arizona and Nevada the return must be made to the Federal Government. It says, out of surplus revenues, and if in the bill as it now provides there is to be an allocation of 37½ per cent of the surplus revenues to the States of Arizona and Nevada, it seems to me that that is clear.

Mr. PITTMAN. If it means that, why do you not say it?

Mr. PHIPPS. It is not necessary.

Mr. PITTMAN. "To meet periodical payments, including revenues allocated to Arizona and Nevada."

Mr. PHIPPS. In that case you would be allocating the first payment of surplus revenues to Nevada and Arizona.

Mr. PITTMAN. Exactly.

Mr. PHIPPS. They get 37½ per cent.

Mr. PITTMAN. But we do not get 37½ per cent before a payment is made on the \$25,000,000.

Mr. PHIPPS. The language the Senator suggests would mean that, it seems to me.

Mr. PITTMAN. What I mean is this, that the allocation does not benefit Arizona and Nevada at all, for the simple reason that the committee have recommended that out of surplus revenues, if there are any above the periodical payments, Arizona and Nevada shall have 37½ per cent of them. If you wish to say that they shall be paid out of the surplus, if any, over and above that, that is a different question. In other words, if the periodical payments must include the allocation of the \$25,000,000 before there is any surplus, it is just taking a chance away of there ever being any surplus.

Mr. PHIPPS. Let me suggest this to the Senator: There seems to be some difference of opinion about this. I am quite willing to defer further consideration of this for the moment.

Mr. JOHNSON. Mr. President, I want to make a statement upon this amendment, if the Senator will permit me. I do not want to take the floor from other Senators or to proceed, unless they have concluded.

The amendment that is presented by the Senator from Colorado alters fundamentally, in my opinion, the original scheme of this bill. Because of that fact, and because of the discussion which has been quite general in the country, I want to make very plain my attitude respecting it.

One of the alluring things, from the financial standpoint, in connection with this great enterprise has been that we have ever favored, and we have sedulously always provided, for the payment of every penny which might be expended by the United States Government out of the earnings or the profits from the power generated at this dam.

Mr. President, the bill, from the time that it was introduced by me until now, has contained a provision that before there is a shovelful of earth turned, or a single dollar expended, the Secretary of the Interior should have in his possession executed contracts by which every penny, including interest, could be by the United States Government recovered, and to the United States Government from the project repaid.

We have always proceeded, from the inception of this enterprise until now, upon the single theory that we would not go into the Treasury of the United States for a dollar, or ask the taxpayers of the United States to contribute a single cent to this great enterprise. I stand to-day just where I have stood from the beginning of this design and this plan upon that principle.

I recognize what may be said and the justice of it: That flood control is a duty devolved upon the Government, and that to allocate to flood control a part of the money that will be expended upon the dam is something that is done in other sections of the country. I recognize that the amendment, therefore, is by no means inequitable. But I recognize, too, that in every place where this bill has been discussed, at every time that I have lifted my voice in its behalf, there has always been the one thing asserted that I assert to-day, that financially sound is the enterprise, and that out of the dam itself may be paid every penny that may be expended.

I say that this is so either under the original financial set-up of the Secretary of the Treasury and the Secretary of the Interior or under the set-up that was made recently by the board of engineers appointed during the interim between these two sessions of Congress.

I insist, sir, that either under the one plan or the other the original purpose of this measure financially can be consummated and can be carried out, and that sufficient revenues may be derived from the structure to enable us to do exactly what originally we contemplated, and what up to this moment we have sought to do.

Therefore it is with some regret that I see the basic and the fundamental idea of this measure now about to be altered. I recognize, of course, the reason for it, I repeat, and I understand full well just exactly the position that is assumed by my brethren in that regard.

Lest there be misunderstanding in respect to it, let me refer to it: That not only in this bill have we provided for the amortization of the full amount which might be expended before there should be in reality any money at all taken from the Treasury, but we have provided as well, as was deemed appropriate by the committee, for profits, to be given out of any profits which might be made, to the two States of Arizona and Nevada. Thirty-seven and one-half per cent—18¾ to each—were to be awarded to those two States out of profits that might be made from the project, and it is obvious, of course, that as you lessen the capital cost you increase the profits, and it is obvious, of course, therefore, why some of our brethren should feel not only the justice of allocating money to flood control in various enterprises but particularly in the enterprise that is before us.

Mr. President, let me recall the figures of the Secretary of the Interior concerning this particular matter. The Secretary of the Interior originally figured a 26,000,000 acre-foot reservoir at \$41,500,000; 1,000,000-horsepower development, \$31,500,000.

Mr. REED of Pennsylvania. Does that mean the building of an electric power plant?

Mr. JOHNSON. That means the building of the plant, \$31,500,000. Senators will see the importance of that in a moment when I come to it.

The all-American canal in the original estimate was \$31,000,000; interest, \$21,000,000; total, \$125,000,000.

The estimated gross revenue from sales of 3,600,000 kilowatts at three-tenths of a cent, \$10,800,000; storage and delivery of water for irrigation and domestic purposes, \$1,500,000; total, \$12,300,000.

Estimated fixed annual charges, operating and maintenance, storage and power, \$700,000; operation and maintenance, all-American canal, \$500,000; interest on \$125,000,000, at 4 per cent, \$5,000,000; total, \$6,200,000. Estimated annual surplus, therefore, \$6,100,000, sufficient to repay the entire cost in 25 years.

Now, let me turn to the report of the board of engineers that recently was submitted, the Sibert report, as it has been desig-

nated, and let me recall in that connection that these engineers, in a period of a very few months and with what I might term a cursory examination, have endeavored to check and go over the reports of the reclamation engineers to which more than three years were devoted and in which forty-odd engineers of the very highest character and greatest attainments in the Nation were employed. The Sibert report says—and I may say that in the report these engineers say that they are ultra-conservative and that their estimates are made, because of the magnitude of the project, in ultraconservative fashion—that the cost of the dam and reservoir would be \$70,600,000; 1,000,000-horsepower development, \$38,200,000; all-American canal, \$38,500,000; interest during construction, \$17,700,000; total, \$165,000,000.

Now, the total of \$165,000,000 is made up, first, of the all-American canal, \$38,500,000. Under the pending bill the all-American canal is to be paid for, under the reclamation law, out of the lands which are to be benefited by the all-American canal. It is not to be paid for out of the power sales, but out of the lands; so that we might first deduct, and that can not be gainsaid, that \$38,500,000.

In the bill that is before the Senate now, which was approved by the Senate committee and upon which I stand, the only obligation that rests upon the Government in relation to the construction of the power plant is—and "obligation" is not the appropriate word; the only reference in relation to the Government constructing a power plant is in exact terms that the Government has the option only to erect a plant if it sees fit.

Mr. REED of Pennsylvania. Mr. President, will the Senator permit a question?

Mr. JOHNSON. Yes, indeed; because we are going to come very shortly to one of the most important parts of the bill, and it is well that I might take a moment or two upon it.

Mr. REED of Pennsylvania. I am afraid my question will betray my ignorance on the subject. I do not understand why the construction of a power plant is left optional. If, as a matter of fact, it is not essential to the success of the project, why put it in at all?

Mr. JOHNSON. Because they were options that were accorded alternatively under the bill. The Government can lease the water.

Mr. REED of Pennsylvania. Sell water power instead of electric power, in other words?

Mr. JOHNSON. Exactly. The Government could erect a power plant and lease it or the Government could lease units of power or units of the power plant. The only reason for inserting in the bill the option to the Government to erect a power plant—I will not say the only reason, because it ought to be done, in my opinion; but that is another story, as Kipling has said. But the manner in which it happens that that option was accorded the Government was this: The original bill did not contain that option at all, but the Secretary of the Interior in his wisdom and justice reached the conclusion that it was necessary for the protection of the people of that territory, the protection of the project, and the protection of the United States Government that it have the power to erect a generating plant if the Government deemed it wise. The topography of the country was such that probably the only one successfully to operate a generating plant there, if accorded the right to construct one, would be accorded a privilege that would place him at a great advantage against any other individual. The topography, added to the economic situation, induced the Secretary of the Interior to request an amendment to the bill by which the Government should be accorded that particular privilege.

Mr. REED of Pennsylvania. Which Secretary requested that, if I may ask?

Mr. JOHNSON. Secretary Work.

Mr. REED of Pennsylvania. What I can not understand is, if a power plant is essential to the success of the scheme why it should be optional at all, and if it is not essential to the scheme why should it be permitted at all? It would seem to me the Government might sell water power as an incident to this other activity.

Mr. JOHNSON. In the Senate bill it was left with the Government for ultimate determination, the matter of administration being for the Government finally to determine. In the House bill there is a different sort of situation, because when the House bill came upon the floor of the House, at the instance of Congressman DAVENPORT, the option for leasing a part of the plant was stricken out, so that the bill is left as it comes from the House, with the Government having the command of Congress upon it to construct a power plant or generating plant at the dam. Those are the differences in that respect between the House bill and the Senate bill.

Let me return now to the figures, because the purpose I had was not, indeed, to discuss at this moment the power phases, but to demonstrate that what I said respecting the amortization of this large sum expended for this great constructive work was very easy, indeed.

Mr. WATSON. Mr. President, may I ask the Senator a question?

Mr. JOHNSON. Certainly.

Mr. WATSON. Is the erection of a power plant essential to the project?

Mr. JOHNSON. The Secretary of the Interior, after investigation, and most of us who are interested in it, deemed it essential that the Government should have the right to erect a power plant.

Mr. WATSON. But that does not, of course, directly answer my question.

Mr. JOHNSON. It answers the question because it answers it half way. After this measure shall have been adopted the consensus of view was that in order to protect the people from a monopoly, in order to protect the enterprise, in order to have the financing in the hands of the Government of a great enterprise in which we would expend \$125,000,000, the Government ought to be in a position where it could protect itself, if essential, by the erection of a generating plant.

Mr. REED of Pennsylvania. Does the Senator concur in that view?

Mr. JOHNSON. I do.

Mr. REED of Pennsylvania. Where the Government has the power of regulation—where the Government has the power to write any terms it pleases in the contract for the sale of the water power—it seems to me that it has every opportunity to protect its people from imposition.

Mr. JOHNSON. No; I think not.

Mr. REED of Pennsylvania. Of course, it is a monopoly, as all of these things are natural monopolies, like street railways; but with the power to regulate, with the power to cease the sale, and the power to limit the period of the same and to fix the price of resale, it seems to me the Government has every power it could want.

Mr. JOHNSON. I disagree with the Senator, but that was not a subject I was intending to go into until we reached the question of power.

Mr. KING. Mr. President, will the Senator permit me to recur to a statement he made a moment ago?

Mr. JOHNSON. Certainly.

Mr. KING. It is important in the discussion of the question of amortization. The Senator stated that under the plan suggested by the commission the all-American canal would be constructed under the reclamation project and therefore nothing would be a charge under the terms of the bill. The Senator forgot for the moment, I think, that the interest would have to be borne by the Government for the advances which were made for the construction of the all-American canal.

Mr. JOHNSON. The Senator is right, but it would be only the interest which would have to be borne.

Mr. KING. But it would be several million dollars.

Mr. SACKETT. Mr. President, will the Senator yield?

Mr. JOHNSON. Certainly.

Mr. SACKETT. In speaking a moment ago the Senator said something about the difference between the House bill and the Senate bill. What is the position of the bill to-day? Have we the House bill substituted for the Senate bill?

Mr. JOHNSON. Yes; but we have as well what is termed an amendment in the nature of a substitute which I have offered, being the entire Senate bill to be substituted for the House bill.

Mr. SACKETT. Then it comes back again to the option on the part of the Government, whether they will build a power plant or not?

Mr. JOHNSON. The Senate bill having a mere option and the House bill having a mandatory provision.

Mr. SACKETT. Then, if we pass the Senate bill—

Mr. JOHNSON. Then the Government has a mere option that may or may not be exercised.

Mr. SACKETT. I simply wanted to get that straight in my mind.

Mr. JOHNSON. That is correct. We have not yet adopted my substitute.

Let me return again to my figures, because I want to show how easily this project can be amortized.

The commission's total is \$165,000,000. The all-American canal is estimated by the commission at \$38,500,000. I have just explained that the all-American canal will be paid for by the land and, therefore, it should be deducted from the \$165,000,000.

The power plant is estimated at \$38,200,000. Of course, it has to be included in the set-up, but if the option shall not be exercised by the Government the \$38,200,000 would be deducted. It is now desired to allocate to flood control \$25,000,000, of that amount, according to the amendment.

Adding these three items together, \$38,500,000, \$38,200,000, and \$25,000,000, we have a total of \$101,700,000 to be deducted from the \$165,000,000, leaving \$64,000,000, when under every estimate of profit that has been made from this enterprise we can go far beyond any such sum. With that sort of a set-up it is perfectly plain that there is going to be no difficulty in paying out this enterprise. If we leave the entire cost of this structure without any allotment for flood control it seems to me that it is equally obvious that we can pay out. We could pay \$125,000,000 in 25 years under the statement of the Secretary of the Interior, and I have telegrams from the experts in the State of California to that effect. One of them is Mr. Ready, who is perfectly assured that there will be no question whatsoever of paying out from the power either under one scheme or under the other scheme.

That is what is presented. I am not, of course, going to oppose the allotment for flood control. It is immaterial to me that there should be greater profit to one State or to another from this enterprise. I want, if it be possible, as I have said again and again, to have this great constructive work undertaken and completed, but I want the Senate to understand that when I stood originally for a bill that would by its very terms not take a single, solitary dollar from the United States Treasury, I stood upon firm ground, and I stand upon the very ground to-day that I have stood upon during the years that have passed since this bill has been a matter of debate and a matter that has come before our people.

I wanted to make that plain before we took up this particular amendment of the Senator from Colorado. I now yield to the Senator from Washington.

Mr. SACKETT. Mr. President, may I ask the Senator a question?

Mr. JOHNSON. Yes, sir.

Mr. SACKETT. In the statement from which the Senator read, the first estimate of total cost being \$125,000,000 and the commission's estimate being \$165,000,000, what are the amounts included for interest?

Mr. JOHNSON. In the first statement \$21,000,000 and in the second \$17,700,000.

Mr. SACKETT. With a larger cost, the question I wanted to ask is, Why should not the item of interest in the case of the second estimate be considerably larger than in the first?

Mr. JOHNSON. I should think it would be, but it is not.

Mr. PHIPPS. Mr. President, may I answer that question?

Mr. SACKETT. Is it because of a difference in the period of time computed?

Mr. PHIPPS. It is. The original estimate was based upon an expenditure extending over a 10-year period of time, whereas the commission that has considered the project during the present year estimates that it can be completed within a 7-year period.

EXECUTIVE SESSION

Mr. JONES. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

ADJOURNMENT

Mr. JONES. I move that the Senate adjourn until to-morrow morning at 11 o'clock.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, December 12, 1928, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate December 11 (legislative day of December 10), 1928

FOREIGN SERVICE

To be secretary in the Diplomatic Service

George F. Kennan, of Wisconsin, now a Foreign Service officer, unclassified, and a vice consul of career, to be also a secretary in the Diplomatic Service of the United States of America.

MEMBERS OF THE MISSISSIPPI RIVER COMMISSION

Brig. Gen. Thomas H. Jackson, Corps of Engineers, United States Army, for appointment as member and president of the Mississippi River Commission provided for by the act of

Congress approved June 28, 1879, entitled "An act to provide for the appointment of a 'Mississippi River Commission' for the improvement of said river from the Head of Passes near its mouth to its headwaters," vice Brig. Gen. Charles L. Potter, retired.

Maj. Ernest Graves, retired, Corps of Engineers, United States Army, for appointment as member of the Mississippi River Commission provided for by the act of Congress approved June 28, 1879, entitled "An act to provide for the appointment of a 'Mississippi River Commission' for the improvement of said river from the Head of Passes near its mouth to its headwaters," vice Col. Charles W. Kutz, relieved.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 11 (legislative day of December 10), 1928

SECRETARY OF THE DEPARTMENT OF COMMERCE

William F. Whiting.

JUDGE OF THE POLICE COURT OF THE DISTRICT OF COLUMBIA
Ralph Given.

POSTMASTERS

ALABAMA

John G. Bass, Birmingham.
Eva M. Ellison, Empire.
Paul B. Curtis, Glenwood.
Archle A. Frazee, Grand Bay.
Minnie W. Simpson, Hurtsboro.
James W. Balkcom, Newton.
Ernest P. Forsman, Silverhill.

ARIZONA

Frank A. Rhodes, Gila Bend.

ARKANSAS

Charley Jones, Calico Rock.
Dwight B. Witherspoon, Hunter.
Ruth Slaton, Joiner.
John A. Borgman, Jonesboro.
Myrtle D. Reed, Lincoln.
John W. Seaton, Luxora.
Julius T. Garner, Nashville.
Lena Hodges, Sulphur Springs.
Olga C. Roberts, Tuckerman.

CALIFORNIA

Herbert A. Barber, Blue Lake.
Katherine H. McLernon, Culver City.
Thomas S. Mackin, Duarte.
Henry A. Craig, Gazelle.
Clay E. Ivins, Hetch Hetchy Junction.
Bessie I. Metcalf, La Canada.
Myrtle M. Seymour, Linden.
Lillie A. Anderson, Morro Bay.
Milton P. Moeser, National City.
Morris L. Williams, Pacoima.
Kittie Pennington, Pico.
George W. Megrew, Rancho Santa Fe.
Alice C. Elmore, Sequoia National Park.
Clara C. Hornsyld, Solvang.
Zenope P. Melcon, Storrie.
Charles L. Hoffman, Sugar Pine.
Isabelle S. Bowman, Vista.

CONNECTICUT

Robert DeF. Bristol, Guilford.
Gordon B. Smith, Saybrook.

KANSAS

Clara G. Williams, Elgin.

MAINE

Charles W. Abbott, Albion.
George H. Williams, Alfred.
Emily E. Pynes, Sangerville.

MICHIGAN

Jesse G. Wilbur, Belding.
Thomas Watson, Birch Run.
Ralph C. Hubbard, Hartford.
Merrill F. Fitch, Mattawan.
George L. Runner, Shelby.
Mary M. Smith, Thompsonville.
Moses O. Champney, Traverse City.

NEW HAMPSHIRE

Hugh C. Young, Sunapee.

OHIO

Frances Dunham, Fayetteville.
Veeda F. Stevens, Holloway.
Blanche M. Lauer, Lower Salem.

RHODE ISLAND

John J. McCabe, Pontiac.
Henry Schwab, Washington.

WYOMING

John G. Bruce, Lander.

WITHDRAWAL

Executive nomination withdrawn from the Senate December 11 (legislative day of December 10), 1928

PROMOTION IN THE ARMY

To be captain

First Lieut. Hobart Dean Belknap, Medical Corps, from July 1, 1928.

[NOTE.—This officer resigned from the Army December 7, 1928.]

HOUSE OF REPRESENTATIVES

- TUESDAY, December 11, 1928

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thy glory, our Father in Heaven, is revealed in its power to invade our lives and touch them to noble issues. When Thou dost remember and gratify the innocent loves of childhood, the roots of our souls are thrust more deeply into the soils of the good, the beautiful, and the true. Thou art a great God and greatly to be praised. Before the mountains were brought forth, or ever Thou hast formed the earth and the world, even from everlasting to everlasting, Thou art God. Manifest unto us the wonder of the Great Name that stands for peace and pardon. Aye, may we show forth His character in the home, in the office, in this Chamber, and everywhere we are called to go, and Thine shall be the glory forever and ever. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 279. An act to amend section 8 of an act entitled "An act to incorporate the Howard University in the District of Columbia," approved March 2, 1867;

H. R. 7346. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment thereon in claims which the Winnebago Tribe of Indians may have against the United States, and for other purposes;

H. R. 11983. An act to provide for issuance of perpetual easement to the department of fish and game, State of Idaho, to certain lands situated within the original boundaries of the Nez Perce Indian Reservation, State of Idaho;

H. R. 12312. An act for the relief of James Hunts Along;

H. R. 12533. An act to authorize the Secretary of Commerce to dispose of certain lighthouse reservations and to acquire certain lands for lighthouse purposes; and

H. R. 13606. An act for the relief of Russell White Bear.

The message also announced that the Senate had passed bills, a joint resolution, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 584. An act for the relief of Frederick D. Swank;

S. 1462. An act providing for the necessary surveys, studies, investigations, and engineering of the Columbia Basin reclamation project, and for other purposes;

S. 2859. An act for the relief of Francis J. Young;

S. 3741. An act for the relief of S. L. Roberts;

S. J. Res. 167. Joint resolution limiting the operation of sections 198 and 203 of title 18 of the Code of Laws of the United States; and

S. Con. Res. 24. Concurrent resolution providing for the appointment of a joint committee to make the necessary arrangements for the inauguration of the President elect of the United States on March 4, 1929.

JOINT RESOLUTIONS AND BILL PRESENTED TO THE PRESIDENT

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that this day they presented to the President of the

United States, for his approval, bill and joint resolutions of the House of the following titles:

H. R. 13824. An act authorizing L. L. Montague, his heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Columbia River at or near Arlington, Oreg.;

H. J. Res. 76. Joint resolution for the relief of Leah Frank, Creek Indian, new born, roll No. 294;

H. J. Res. 260. Joint resolution for the relief of Eloise Childers, Creek Indian, minor, roll No. 354;

H. J. Res. 261. Joint resolution for the relief of Effa Cowe, Creek Indian, new born, roll No. 78; and

H. J. Res. 332. Joint resolution to appoint a congressional committee to attend the exercises celebrating the twenty-fifth anniversary of the first airplane flight made by Wilbur and Orville Wright on December 17, 1903, at Kill Devil Mills, Kitty Hawk, N. C.

LEAVE OF ABSENCE

Mr. BROWNE. Mr. Speaker, I ask indefinite leave of absence for my colleague, Mr. BECK of Wisconsin, on account of sickness.

The SPEAKER. Without objection, the leave will be granted. There was no objection.

NAVAL AFFAIRS COMMITTEE

Mr. BRITTEN. Mr. Speaker, I desire to make a unanimous-consent request that I may address the House for one minute.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. BRITTEN. Mr. Speaker, in line with the suggestion of the majority leader last Wednesday on the floor that when the Committee on Naval Affairs has its usual Calendar Wednesday the chairman of the committee should indicate to the House the bills he expected to call up from that committee. In line with that suggestion, I would like to say these bills will be called up in the order I shall indicate:

Priority list of bills on House calendars

Bill No.	Title	Remarks
H. R. 13249	To authorize an increase in cost of alterations and repairs to certain naval vessels.	Hearings, pp. 2395, 2865; Report 1934.
H. R. 14660	To authorize alterations and repairs to the U. S. S. California.	Report 1935.
H. R. 14922	To authorize an increase in the limit of cost of two fleet submarines.	Report 1936.
H. R. 13685	To regulate the distribution and promotion of commissioned officers of the Marine Corps.	Hearings, p. 2927; Report 1937.
H. R. 12032; S. 3692	To amend the joint service pay act of June 10, 1922 (warrant officers pay bill)	Pending before Budget since Jan. 2, 1928; hearings p. 2477; Report 1590; Senate Report 998; Union Calendar 487.
H. R. 13414	To authorize appointments of acting chaplains to maximum age limit of 35 years.	Hearings, p. 3021; Report 1858; House Calendar 489.
H. R. 5713	To permit certain warrant officers to count all active service rendered under temporary appointments as warrant or commissioned officers.	Hearings, pp. 79, 2325; Report 1299; Union Calendar 417.
H. R. 5491	To permit transfer of used or obsolescent ordnance material by other bureaus or departments.	Hearings, pp. 93, 2305; Report 1298; Union Calendar 416.
H. R. 5617	To limit the date of filing claims for retainer pay	Hearings, pp. 52, 2255, 2265; Report 1347; Union Calendar 431.

As I say, these bills will be called up substantially in the order here presented on Wednesday.

Mr. BLANTON. Will the gentleman yield?

Mr. BRITTEN. Certainly.

Mr. BLANTON. Has the gentleman in mind the modernizing of the U. S. battleship *Maryland* so as to conform to modern uses?

Mr. HASTINGS. Mr. Speaker, I would like to inquire whether or not the whole of Calendar Wednesday will likely be consumed?

Mr. BRITTEN. Yes.

Mr. HASTINGS. In other words, the whole of Calendar Wednesday is likely to be consumed in the consideration of these bills?

Mr. BRITTEN. Yes.

EXTENSION OF REMARKS

Mr. STRONG of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a statement on the consent decree as viewed by Mr. M. W. Borders, jr., attorney for the National Farmers' Union.

Mr. UNDERHILL. What did the gentleman say he wished to insert?

Mr. STRONG of Kansas. It is a statement concerning the consent decree of the packers, of which the gentleman, no doubt, has heard.

Mr. UNDERHILL. The attorney referred to has no connection with this House or with Congress, so far as I know.

Mr. STRONG of Kansas. The House is considering this matter before a subcommittee.

Mr. UNDERHILL. If we distinguish at all, we can not draw the line unless we object to them all.

The SPEAKER. Does the gentleman from Massachusetts object?

Mr. UNDERHILL. Yes.

The SPEAKER. Objection is heard.

AUSTRIAN DEBT SETTLEMENT

Mr. SNELL. Mr. Speaker, I offer a resolution from the Committee on Rules.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 255

Resolved, That upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. J. Res. 340, to authorize the Secretary of the Treasury to cooperate with the other relief creditor governments in making it possible for Austria to float a loan in order to obtain funds for the furtherance of its reconstruction program, and to conclude an agreement for the settlement of the indebtedness of Austria to the United States. That after general debate, which shall be confined to the House joint resolution and shall continue not to exceed one and one-half hours, to be equally divided and controlled by those favoring and opposing the House joint resolution, the House joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the House joint resolution for amendment the committee shall arise and report the House joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the House joint resolution and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, the resolution just presented provides for an authorization to the Secretary of the Treasury to settle what is commonly referred to as the Austrian debt.

I think in beginning the consideration of this measure, the House should understand that this debt is on an entirely different basis and different in every respect from any settlement of any other foreign debt that arose out of the prosecution of the late World War. As Members will remember, in the years 1920 and 1921, the Government of Austria had entirely fallen down, and the Austrian people were starving by millions. Nine separate governments, of which the United States was one, loaned Austria \$120,000,000 to buy food supplies to keep the inhabitants of Austria from starving. Of that amount, about 20 per cent came from the United States, or about \$24,000,000.

As you will remember, the Grain Corporation had on hand an excess of flour. It was a coarse flour and there was no immediate market for it in the United States at that time, and before it could have been used or sold in home market it would have deteriorated to a considerable degree. We sold that under authorization by Congress to the Austrian people, and Congress well knew at that time that it would at least be a great many years before we could even expect any pay. Under the terms of the Lodge resolution of 1922 they were not to be requested to pay anything on that until 1943. Now Austria finds itself in this shape: In order to improve its economic condition and to continue the rehabilitation of its industry, which is being carried on with quite marked success, it is absolutely necessary to have in the vicinity of \$100,000,000 of foreign capital. At the present time the Austrian food relief bonds—and those are what the American people hold at the present time—are the first claim on certain assets and income of the Austrian Government. They are asking us at this time to subordinate these Austrian relief bonds to the new loan that they desire to make.

As I understand the situation, the other seven governments that hold these relief bonds, together with the United States, have all agreed to the subordination asked by the Austrian Government; also that the reparations committee have agreed to subordinate their claims to this new loan, and the only thing that is holding up the whole situation is action by the American Congress.

This bill authorizes the Secretary of the Treasury to make such subordination of our original claims, as above stated, and

further provides for the funding of the total debt that Austria owes us at the present time.

In considering this claim at this time we must understand that the original loan was made to Austria more as a humanitarian proposition, or a charitable proposition, than anything else, and that at the time we made the original loan there was very little hope of ever getting any definite pay on the principal, so that we are not giving up very much by granting this request, and, personally, I believe we are more liable than otherwise to get our claim paid. We are not asked for any additional loans. But there is reason to believe that if Austria can float a new loan from private bankers and rehabilitate itself and improve its railroads, its telegraphs, and telephone systems, and get itself in an economic position to go to work and earn money, there is a possibility that some day Austria will pay us the money we loaned her to buy foodstuffs after the war. So that this is in no way on a similar basis with other foreign settlements. This is simply another example of America's interest in a distressed sister nation.

So far as the Committee on Rules is concerned, this is a unanimous report, and I doubt if there is any serious opposition at this time from Members of the House to authorizing, as the Committee on Ways and Means recommends, the enactment of House Joint Resolution 340.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. HAWLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 340.

The SPEAKER. The gentleman from Oregon moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 340. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Kansas, Mr. HOCH, will please take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 340, with Mr. HOCH in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 340, which the Clerk will report.

The Clerk read as follows:

Joint resolution (H. J. Res. 340) to authorize the Secretary of the Treasury to cooperate with the other relief creditor Governments in making it possible for Austria to float a loan in order to obtain funds for the furtherance of its reconstruction program, and to conclude an agreement for the settlement of the indebtedness of Austria to the United States

Resolved, etc., That in order that the United States may cooperate with the Governments of Denmark, France, Great Britain, Italy, the Netherlands, Norway, Sweden, and Switzerland in making it possible for Austria to obtain by means of a loan the additional funds necessary in the furtherance of its reconstruction program, the Secretary of the Treasury is hereby authorized, if he determines that substantially similar action has been taken by each of such Governments in respect of the Austrian relief bonds held by it and that the Reparation Commission has given an appropriate release in respect of such loan, to subordinate the lien of the United States upon the assets and revenues of Austria pledged for the payment of the Austrian relief bond held by the United States (but without prejudicing the priority over costs of reparation stipulated in the relief bond) to a lien upon such assets and revenues as may be pledged for the payment of one or more loans floated by Austria in an aggregate net amount of not more than 725,000,000 Austrian schillings and for a period of not more than 30 years from July 1, 1929; and the Secretary of the Treasury, with the approval of the President, is hereby authorized to conclude an agreement, as set forth below in general terms, for the settlement of the indebtedness of Austria to the United States: *Provided, however,* That the terms and conditions of such settlement shall not be less favorable than the terms and conditions granted by Austria to any of the other relief creditor Governments, and should more favorable terms or conditions be granted by Austria to any of the other relief creditor Governments, the Secretary of the Treasury, with the approval of the President, is authorized to amend the proposed agreement so that the United States may enjoy a corresponding benefit.

The amount of the indebtedness to be funded is \$34,630,968.68, which has been computed as follows:

Principal amount of obligation to be funded.....	\$24,055,708.92
Interest accrued and unpaid thereon to Jan. 1, 1928, at the rate of 6 per cent per annum.....	10,575,259.76
Total principal and interest accrued and unpaid as of Jan. 1, 1928.....	34,630,968.68

In full and final settlement of this indebtedness Austria shall pay 25 equal annuities of \$1,337,140 beginning on January 1, 1943.

Austria, however, shall have the option of paying instead of the aforesaid annuities 40 annuities as follows: Five annual payments of \$287,556, beginning on January 1, 1929; 10 annual payments of \$460,093, beginning on January 1, 1934; and 25 annual payments of \$743,047, beginning on January 1, 1944.

If Austria shall exercise this option to pay in 40 annuities beginning January 1, 1929, the obligation of Austria to pay annuities during the years 1929 to 1943 will in the case of each annuity not arise if the trustees of the reconstruction loan of 1923 prior to the preceding December 1 have raised objection to the payment of the annuity in question on the due date. To the extent, if any, that any such annuity is not paid by reason of such objection on the part of the trustees, the amount thereof, together with interest at 5 per cent per annum compounded annually to December 31, 1943, shall be repaid, together with further interest at 5 per cent per annum, by 25 equal annuities on January 1 of each of the years 1944 to 1968, inclusive.

The bonds to be issued under the agreement to be concluded under authority of this resolution shall enjoy the same security as the relief obligation of Austria now held by the United States (relief series B of 1920) except to the extent that the lien enjoyed by this obligation has been released by the Secretary of the Treasury under authority of the joint resolution of Congress approved April 6, 1922, and also to the extent that it may be further released by the Secretary of the Treasury under the authority of this resolution.

Austria shall make no payment upon or in respect of any of its obligations issued to the relief creditor nations, to wit, Denmark, France, Great Britain, the Netherlands, Italy, Norway, Sweden, and Switzerland, before, at, or after maturity, whether for principal or for interest, unless a similar and proportionate payment shall simultaneously be made upon the relief indebtedness of Austria to the United States.

Any payment to be made under the agreement may be made at the option of Austria in any United States Government obligations issued after April 6, 1917, such obligations to be taken at par and accrued interest.

The CHAIRMAN. The rule provides for an hour and a half of general debate, to be equally divided between those favoring the resolution and those opposed to it. The Chair recognizes the gentleman from Oregon [Mr. HAWLEY].

Mr. HAWLEY. Mr. Chairman, there is a member of the Committee on Ways and Means, the gentleman from Georgia [Mr. CRISP], who was also a member of the former Debt Commission, and has heard all the hearings before the committee and inspected the documentary evidence before the Funding Commission and heard all the discussion before that body. I yield 25 minutes to the gentleman from Georgia [Mr. CRISP]. [Applause.]

Mr. CRISP. Mr. Chairman and gentlemen of the committee, the chairman of my committee, the gentleman from Oregon [Mr. HAWLEY], was a little inaccurate in his statement that I had heard, as a member of the Debt Commission, all the facts relative to the economic condition of Austria. This loan was made for humanitarian purposes in 1920 and was authorized by act of Congress. It was later by act of Congress postponed as to its maturity until 1943. I have to the best of my opportunity given careful consideration to the whole subject matter and have posted myself to the extent of my ability as to the economic condition of Austria, and I am wholeheartedly supporting this settlement. This settlement was made by the Treasury Department after the Debt Commission ceased to exist.

What is the history of it? In 1919 and 1920, just after the World War, the Austrian Empire was dismembered. Its most valuable possessions, its richest territory, and its manufacturing centers had been taken from it and given to other governments set up under the peace conference, and the economic condition of Austria was deplorable. The Ways and Means Committee in 1920 had before it testimony as to the condition of suffering in Austria. Before the act of Congress was passed authorizing this indebtedness it was shown that women and children were dying by the hundreds in Austria from starvation; that mothers and infants, mere skeletons, were seen everywhere, their condition brought about by the want of food, and sickness and death were prevalent throughout Austria. The suffering and hunger there appealed to the heart of the world. The former enemies of Austria carried out the teaching of the lowly Nazarene when He said, "If your enemy hunger, feed him." So Great Britain, France, Italy, the United States, Czechoslovakia, Sweden, Norway, and other countries responded to the needs of the women and children and others in Austria by furnishing them with food, because Austria needed the food but did not have the money to pay for it. These other countries had food.

The United States had food, accumulated in the Grain Corporation, which had been accumulated for war purposes, and Congress, on the 30th of March, 1920, passed a law authorizing

this Government to sell to Austria on credit \$24,000,000 worth of foodstuff to feed its people. The other countries I have mentioned also sold to Austria foodstuff, as a humanitarian proposition, on credit, and the total amount of food and essentials to human life that was furnished to Austria in 1920 by these governments amounted to \$120,000,000. Great Britain furnished \$44,000,000; France, \$17,000,000; Italy, in the neighborhood of \$21,000,000; and the United States, \$24,000,000. The amount of principal due us by Austria is \$24,000,000 plus, and that indebtedness was not for money furnished Austria; it was not a commercial proposition; it was a humanitarian proposition to feed the dying, and when Congress authorized it, Congress, in my judgment, was not cavilling as to whether it would ever be paid back.

We had the bond of Austria for this amount of \$24,000,000, due in five years. Yet the economic condition of Austria still continued deplorable and it was essential for her to obtain some capital to develop her meager resources, so as to endeavor to furnish employment and support to her population. She could not obtain the capital in Austria, and Austria has committed her revenues to the payment of the food-relief loan of \$120,000,000, so that all of the other relief creditors—Great Britain, France, Czechoslovakia, Italy, Belgium, Denmark, Holland, and Sweden—agreed to waive their prior liens in order to enable Austria to obtain a reconstruction loan of \$125,000,000 for the purpose of restoring her economic condition. The nations I have mentioned not only waived their liens but guaranteed the payment of this reconstruction loan of \$125,000,000. Great Britain guaranteeing the payment of 24½ per cent of it; France, 24½ per cent; Czechoslovakia, 24½ per cent; Italy, 20½ per cent; Belgium, 2 per cent; Denmark, 1 per cent; Holland, 1 per cent; and Sweden, 2 per cent. The United States was requested to waive its prior lien on the revenues of Austria to enable her to float this loan of \$125,000,000, and under the act of Congress known as the Lodge resolution, which was passed April 6, 1920, Congress did waive its prior lien and postponed the maturity of the debt until 1943, but Congress and the Government of the United States did not guarantee the payment of this loan of \$125,000,000. We were less generous in that respect than the former enemies of Austria, who waived the lien and guaranteed the payment of a certain part of the reconstruction loan. We simply waived our priority in order to permit Austria to obtain this loan of \$125,000,000 from private bankers or other private lenders of money. That is the situation up to now.

Mr. SNELL. Will the gentleman yield for a question?

Mr. CRISP. Yes.

Mr. SNELL. Do I understand that these other governments are going to guarantee the payment of the loan which the Austrian Government now intends to obtain?

Mr. CRISP. No. The economic condition of Austria has so improved with this new capital they received of \$125,000,000 that they now believe they can float this new loan of \$100,000,000 on its own strength and standing alone without the guarantee of any of the governments which guaranteed the reconstruction loan of \$125,000,000. As I have said, the first reconstruction loan of \$125,000,000, made in 1922, was guaranteed by these countries.

Mr. SNELL. The one that is already in existence?

Mr. CRISP. Yes. That is the situation up to now. Austria owes the United States the principal for this food, \$24,000,000 plus. Figuring interest on it at 6 per cent to January, 1928, she owes \$34,000,000 plus. The other creditors have reduced their rate of interest to January to 5 per cent instead of 6, and if the United States reduces her interest from 6 to 5 up to this time the amount due on the indebtedness to us, both principal and interest, is \$33,911,000.

Austria has about 6,500,000 people. One-third of those people reside in the city of Vienna. Her richest agricultural territory and industrial sections have been taken from her, so that about the only resources of value Austria has are her forests. She has some iron, and she has splendid water powers, but no capital to develop them. About one-third of the entire area is agricultural, but it is made up of poor, nonproductive land. Austria does not produce a sufficient amount of foodstuff to feed her people and she is compelled to import large quantities of foodstuffs to provide for her population. Austria has no coal and she has to import her coal, and the importation of coal and food supplies makes the balance of trade very largely against Austria. In 1926 the balance of trade against Austria was \$156,000,000, and in 1927 the balance of trade against her was \$155,000,000.

The condition in Austria by the use of this new capital has greatly improved and by economies she has practically balanced her budget, though she has no surplus revenue for any purpose. Austria is compelled to send out of Austria about

\$30,000,000 a year for the payment of interest and other charges on her foreign indebtedness, and about the only way she is able to get this foreign exchange to meet these obligations is from what are called invisible items, the money expended there by tourists and remittances from immigrants in different countries.

The most valuable economic asset Austria has is its central location in Europe and its railroads, its telephones and telegraph lines. These railroads and telegraph lines are nominally owned by separate corporations, but the Austrian Government owns all of the stock of these corporations. Therefore the Austrian Government itself owns the railroads and telegraph lines, just as the United States owns all of the stock of the Panama Railroad, which owns the railroad across the Canal Zone and the ship line plying from the Canal to New York. The railroads in Austria have run down. They are compelled to use unsafe bridges, the rails are light, and it is impossible for them to operate a through train to care for the through traffic, and it is proposed, if she obtains this loan, to use it in modernizing her railroads and her telegraph lines and to develop water power, which will stop the importation of much coal.

It is figured and believed with this new capital some of the 200,000 unemployed in Austria will be given employment and the economic situation of the Republic will be improved; that her productive capacity will be increased; that she will obtain more revenue and will thus be better able to meet her indebtedness to her creditors at home and abroad, and that the influx of this new capital will go a long way toward insuring her ability to pay the United States and all the other countries the amount she owes them for food furnished her in 1920.

My friends, if you have an insolvent debtor and the debtor's business is not producing sufficient revenue to meet his fixed charges, interest account, and so forth, you would be very pleased for that debtor to obtain some new capital from some one else to put in his business to be used for productive purposes, hoping his financial condition would be improved so that he could repay your indebtedness.

Let me say right here that this bill does not propose for the United States to advance another cent to Austria. It does not propose to take one penny now out of the Treasury and give it to Austria; neither does it propose for us in any way whatever to become financially liable or responsible for this new loan of \$100,000,000. We are not guaranteeing it; we have no responsibility whatever in connection with it, and all that this bill proposes is for us, in cooperation with the other eight creditors, to waive the first lien we have on the revenue of Austria for the repayment of what she owes us in favor of this new rehabilitation loan of \$100,000,000 to enable them to get new capital.

Mr. ROBSON of Kentucky. Will the gentleman yield for a question at that point?

Mr. CRISP. Yes.

Mr. ROBSON of Kentucky. If we did not waive this prior lien, what chance would there be for us to collect our debt now, anyhow?

Mr. CRISP. When this credit was extended it was for humanitarian purposes. It was to feed the hungry and the dying, and we did not consider, in my judgment, the question of repayment. I think to-day it is very doubtful whether we could get the money back. In my judgment if this new capital is obtained, it will enable Austria to become economically stable and economically able to pay it, and she will pay the debt. Therefore I think this act on our part is a step toward making more certain repayment to the United States of what is now owing to us.

Mr. O'CONNELL. And will give Austria ample time within which to pay it?

Mr. CRISP. Yes.

Mr. LA GUARDIA. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. LA GUARDIA. Is not this very much like a man having a second mortgage on a piece of property and subordinating his claim in order to permit of the property being put in shape in the hope of increasing its value and the revenue from it?

Mr. CRISP. That is all in the world this does.

Mr. TARVER. Will the gentleman yield?

Mr. CRISP. Certainly.

Mr. TARVER. I may not understand the gentleman's presentation of the matter fully—

Mr. CRISP. I am very unfortunate. That is my fault.

Mr. TARVER. I want to ask this question in order to clarify the matter in my own mind. The gentleman has stated, as I understand it, that the only question involved is that of relieving the existing prior lien consisting of the debt now existing in favor of this Government. I have noticed provisions of the bill which carry with them a settlement also of that existing indebtedness and providing, in the first place, for payment of 25 equal

annuities of a certain amount, and I desire to inquire of the gentleman what is the present cash value of those annuities; in other words, how much are we shaving the debt?

Mr. CRISP. I will discuss that very frankly. When I made the statement that the waiving of our prior lien was all that was involved by the bill, I was discussing then the first subject of the bill, to wit, the waiving of the lien for the new rehabilitation loan of \$100,000,000. There is a second part of the bill, about which the gentleman has inquired, and when I reach that I will discuss it fully.

Mr. HASTINGS. Will the gentleman yield there for a question?

Mr. CRISP. Yes.

Mr. HASTINGS. The statement has been made that in 1920, when this food was sold to Austria upon credit, that it was perhaps not anticipated it would ever be repaid. Why was not the condition of Austria discussed at that time and taken into consideration, and why did we not make them at that time an absolute gift?

Mr. CRISP. If I mistake not, the gentleman was in Congress at that time as well as myself, and the gentleman had the same information that I had. I think one of them was that Austria did not ask that it be given to her. She asked, in her extremity, that we lend a kindly hand by selling this food to her on credit.

Mr. HASTINGS. The gentleman now states that Austria is in a much better condition than she was in 1920?

Mr. CRISP. There is no question whatever about it, and I think the new capital of \$125,000,000 that she has had is largely responsible, if not entirely responsible, for the improvement; and I think if she obtains this new capital she will be still better off, and I think that will go a long way toward insuring repayment of this amount.

Gentlemen, I have been courteous and have yielded to everyone who has asked me any questions. I do not want to consume all of the time and I would much prefer to try to run through my statement of the case and then I will gladly answer all questions to the extent of my ability.

Now, seven of these relief creditors have already consented to the provisions of this bill, that they will subordinate their liens in favor of this new rehabilitation loan. The United States has not yet acted on it and the bill is before you to-day requesting your consent. Italy has not yet acted on it. All of the other governments have acted and have consented to it.

This bill proposes that the Secretary of the Treasury, with the approval of the President, shall be given authority to make this waiver provided all of the relief creditors consent to it; and with the further limitation that if Italy or any other country obtains better terms of settlement than the settlement enumerated in the bill, the United States is to have the same preferential treatment; that all of these relief creditors are to be put absolutely on a parity, each to have the same rights, no one to have superior preferences over any others, and this bill safeguards that by so providing.

Under the terms of the bill this \$33,000,000 due the United States is to be amortized over a period of years.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. GARNER of Texas. Mr. Chairman, I yield to the gentleman 15 minutes more.

Mr. CRISP. This indebtedness that is to be amortized over a number of years under the terms of the bill becomes due in 1943, and under existing law Austria owes us no payment until 1943, for the act of Congress postponed the due date until 1943. So, under the terms of this settlement commencing January 1, 1943, Austria is to pay annually for 25 years \$1,337,140 to the United States, and she is to make, commencing at that due day payment to the other relief creditor nations on the same basis.

Austria reserves the option, and it is in this bill, that instead of waiting until 1943 to commence her payments she may make annual payments commencing January 1, 1929. She will commence payments on her old indebtedness. That she reserves the option to do instead of waiting until 1943. She will have the option of paying 40 annuities as follows: Five annual payments of \$287,556, beginning on January 1, 1929; 10 annual payments of \$460,093, beginning on January 1, 1934; and 25 annual payments of \$743,047, beginning on January 1, 1944.

Austria has notified all governments that if this settlement is made she expects to exercise this option and commence paying next January instead of waiting until 1943, which she has a right to do now under the law. I think that a very material gain and benefit to the United States—if you can have payments commence on this debt next year instead of waiting until 1943.

Now, Austria is bound up to this extent—that the trustees of the restriction loan of 1922 of \$125,000,000 has a right to object

to Austria's making any foreign payment on new debts that would disrupt the currency or the exchange. Austria says she will make this payment commencing next year, but if the trustee of the reconstruction loan made in 1922 objects to the payment of the annuity in any one year on the ground it will destroy Austria's economic stability or currency, Austria is to give her bond for that payment with interest at 5 per cent compounded annually and they are to be amortized over a number of years, subsequent to 1943.

Now, the second provision in the bill, which deals with the question that my colleague, Judge TARVER, asked me about, proposes the settlement of the indebtedness of Austria, amortized over a period of years just as this Government settled and amortized the debts with all our debtor nations over a period of years. It would be impossible for Austria in her economic condition to maintain herself as a going government and pay at once in one sum the amount of money owing the other relief creditors and the United States the amount of which to-day is \$178,000,000.

Austria's total indebtedness is about \$330,000,000, and her total revenue is \$185,000,000, and she has very high income taxes, both individual and corporation.

So this bill proposes to amortize this debt over a period of years as set out in the bill, either to wait until it is due and commencing in 1943, making annual payments of a million three hundred and thirty-seven thousand one hundred and forty dollars plus, or exercise the system of payments which she says she will do, commencing payment next year.

The present cash value of either plan, whether the 25 annual annuities or the payment commencing next year are exactly the same. The principal owing to us is \$24,000,000, which with interest computed the 1st day of January, 1928, makes principal and interest \$33,911,000. The present cash value of either one of these settlements is 30.2. So there is a scaling of the indebtedness reducing it to the present cash value of 70 per cent.

Italy's indebtedness was settled on a present cash value of 24 per cent. Czechoslovakia present cash value of 30 per cent; and most of the smaller nations were settled with on about the same reduction as to the present cash value.

If this agreement is carried out and complied with over a period of years, the United States will receive back the \$33,000,000 with \$9,372,792 interest.

But I would not, if I could, mislead any of my colleagues, and I frankly say that this settlement of this indebtedness does scale the amount due the United States if the principal and all interest was paid, for as I say, the present cash value is 30.2 per cent. But I do not believe it possible for us to collect from Austria 100 cents on the dollar plus interest. I believe this the best settlement obtainable at this time.

Gentlemen, you can not collect blood out of a turnip, you can not collect money from an insolvent debtor, and every one of our foreign debt settlements have been made on capacity to pay. While I concede capacity to pay is an uncertain thing, not capable of being reduced to mathematical certainty, yet there are certain fundamental things that give some idea as to the capacity to pay. As I have stated to you, Austria has no manufacturing plants, and of her agricultural land, one-third of all her territory, is not very productive. It does not produce food to sustain her people. Two hundred thousand people are out of employment. The weekly wage of brick masons in Austria is \$9.99, while in Philadelphia it is \$78. The average per capita income of the people of Austria is \$157 a year. Out of Austria's 6,500,000 people, 2,100,000 pay income taxes, while in the United States, out of 120,000,000, only 2,471,000 pay income taxes.

In Austria a citizen has an exemption for the purposes of income tax of \$200 a year. Of those paying income tax in Austria, 610,000 report an income of \$286 a year or less, 525,000 an income of \$430 a year or less, 462,000 an income of \$686 a year or less, 357,000 an income of \$1,460 or less, 105,000 an income of \$3,100 a year or less, and 42,000 report incomes in excess of \$3,100. Those are the taxes that the people of Austria are bearing. That gives you some idea as to their economic situation, and I am constrained to believe, in view of the situation there, in view of the settlements that have been made with other nations, that 30.2 per cent fairly represents the amount of her capacity to pay; but be that as it may, considering the history of this loan, considering that all of the debtor nations, the nations who owe us millions of dollars, nations whose economic condition and whose wealth are not comparable with ours, have agreed to the terms of this settlement, I do not believe the United States Government, the greatest Government, the richest Government in the world, can afford to alone stand up and block it. If you do not agree to this, the effect of it will be to destroy the agreements and put us

in the position of being the only one of nine nations who for humanitarian purposes sold on credit food to Austria who now objects to this agreement.

Mr. MILLER. Mr. Chairman, will the gentleman yield?

Mr. CRISP. Yes.

Mr. MILLER. If Austria makes this settlement in 25 equal payments, commencing in 1943, which is 15 years in the future, will any interest be paid on this loan during that period of 15 years before the payment commences?

Mr. CRISP. No; and that is where the reduction of the debt comes. There is no scaling of the principal, and there is no scaling of the interest computed at 5 per cent up to last January.

Mr. MILLER. Six per cent.

Mr. CRISP. It is 6 per cent, but the others scaled it down to 5 per cent, and this bill authorizes a scaling down to 5 per cent, so this bill provides that the principal and interest up to January, 1928, at 5 per cent is paid. Where you have the scaling, and where you reduce the debt from 100 cents on the dollar down to its present cash value of 34 per cent is the failure to get interest during the future years and not having the money right now available for use.

Mr. HASTINGS. There is no interest at any time.

Mr. CRISP. No.

Mr. HASTINGS. For the 25 years after 1943?

Mr. CRISP. You will get only the \$33,000,000 under this payment.

Mr. HASTINGS. Divided up into 25 payments.

Mr. CRISP. Yes; under the latter option.

Mr. BRAND of Georgia. Has the gentleman any information as to the amount of interest Austria has paid on the first reconstruction loan?

Mr. CRISP. I have no information as to the amount, but it is undisputed that Austria has made every payment due on all her foreign indebtedness. She has paid the entire interest due on it, and I may add that the Reparation Commission, interested in war reparations, has also consented to the terms of this bill. If we object, we will be the only nation objecting.

Mr. BRAND of Georgia. They have in good faith made payments on the interest?

Mr. CRISP. Yes; absolutely.

Mr. HASTINGS. I would like to ask about the cost of Austria's military establishment at the present time.

Mr. CRISP. I can not answer the gentleman. I do not know.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing at the conclusion thereof a statement prepared by the Undersecretary of the Treasury, Mr. Mills, going more into details as to this transaction than I have gone, and also to print a copy of the bond of obligation that Austria will make if this agreement is settled. I do that so that in the future, if anyone is examining the record as to what transpired and the nature of the bond, he can have the whole matter before him by examining the CONGRESSIONAL RECORD.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The matter referred to is as follows:

STATEMENT BY UNDERSECRETARY OF THE TREASURY MILLS BEFORE THE WAYS AND MEANS COMMITTEE FRIDAY, DECEMBER 7, 1928, SUBMITTING A PROPOSED AGREEMENT FOR THE SETTLEMENT OF THE RELIEF INDEBTEDNESS OF AUSTRIA TO THE UNITED STATES

At the last session of Congress, in response to a message from the President, House Joint Resolution 247 was introduced by Mr. BURTON and reported by the Ways and Means Committee to the House. Under the terms of the resolution the Secretary of the Treasury is authorized, in cooperation with the other so-called relief creditor governments, to subordinate the lien of the United States upon the assets and revenues of Austria pledged for the payment of the Austrian relief bond held by the United States to a lien upon such assets and revenues as may be pledged for the payment of one or more loans floated by Austria in an aggregate net amount of not more than 725,000,000 Austrian schillings and for a period of not more than 30 years; and the Secretary of the Treasury is further authorized, with the approval of the President, to conclude an agreement for the settlement of the indebtedness of Austria to the United States.

At the time of the hearing before the Ways and Means Committee on House Joint Resolution 247, in April, 1928, negotiations for the settlement of the Austrian debt with the relief creditors were proceeding, but inasmuch as there are nine relief creditors, and Austria is obligated to settle with them all on the same basis, until an agreement with other creditors was actually reached the Treasury Department was not in a position to submit to the Congress the terms of a proposed

agreement for the settlement of the relief indebtedness to the United States.

Now, however, the settlement proposed by the Austrian Government has been accepted by seven of the nine creditor nations, namely, Denmark, France, Great Britain, the Netherlands, Norway, Sweden, and Switzerland. Negotiations with Italy, to whom Austria makes a similar offer of settlement, are now being carried on. So that the Secretary of the Treasury is at the present time enabled to submit to the Congress the agreement for the settlement of the relief indebtedness of Austria to the United States, which he is prepared to execute should the Congress grant him the authority.

The committee will remember that all of the relief bonds are of similar tenor and contain the following clause:

"The Government of Austria agrees that no payment will be made upon or in respect of any of the obligations of said series issued by the Government of Austria before, at, or after maturity, whether for principal or for interest, unless a similar payment shall simultaneously be made upon all obligations of the said series issued by the Government of Austria in proportion to the respective obligations of said series."

The terms of settlement, therefore, offered the United States are the precise terms offered the other creditor Governments and already accepted by seven of them.

The principal of the indebtedness of Austria to the United States amounts to \$24,055,708.92. The bond matures by extension in 1943 and bears 6 per cent interest. With interest at 6 per cent the total indebtedness as of January 1, 1928, is \$34,630,968.68. However, the other relief creditors reduced the interest rate to 5 per cent on January 1, 1925. If we make a corresponding adjustment in our interest rate, the total indebtedness, principal and interest, as of January 1, 1928, amounts to \$33,911,904.39.

In settlement of this indebtedness Austria offers to pay, beginning on January 1, 1943, 20 yearly annuities of \$1,337,140, reserving the option, however, to substitute the following schedule of payments: 5 yearly payments of \$287,556, beginning January 1, 1929; 10 yearly payments of \$460,093, beginning January 1, 1934; and 25 yearly payments of \$743,047, beginning January 1, 1944.

On a basis of 5 per cent the present-day value of the smaller payments to be begun on January 1 next under the alternative schedule is the same as that of the larger and postponed payments to be begun January 1, 1943.

I may add that the Austrian Government has informed us it means to exercise the option.

In this event the payments are to be subject to the following provision:

"Provided, however, That if Austria shall exercise this option the obligation of Austria to pay annuities during the years 1929 to 1943 will in the case of each annuity not arise if the trustees of the reconstruction loan of 1923 prior to the preceding December 1 have raised objection to the payment of the annuity in question on the due date. To the extent, if any, that any such annuity is not paid by reason of such objection on the part of the trustees, the amount thereof, together with interest at 5 per cent per annum compounded annually to December 31, 1943, shall be repaid together with further interest at 5 per cent per annum by 25 equal annuities on January 1 of each of the years 1944 to 1968, inclusive. Austria shall issue its bonds to the United States for each of the 25 annuities similar in form to the bonds first to be issued hereunder, but dated January 1, 1943, bearing interest at the rate of 5 per cent per annum and maturing serially on January 1 of each succeeding year."

This provision is made necessary by the fact that under the terms of the so-called Lodge resolution priority over the lien which the United States holds was granted to the bonds of the so-called reconstruction loan of 1923, which matures in 1943.

On a basis of 4½ per cent the present-day value of the payments proposed under the option is 30.2 per cent of \$33,911,904.39. This total is reached, you will remember, by figuring interest at 6 per cent to January 1, 1925, and 5 per cent to January 1, 1928. This compares favorably with the present-day value of 24.6 per cent of the amount due provided for in the debt-settlement agreement with Italy and of 30.3 per cent in that with Yugoslavia. If, however, we figure past interest on the basis, let us say, of the Belgian settlement, the total amount owed is \$30,383,562.70 and the present-day value of the proposed payments is 33.7 per cent of this amount.

The Treasury feels that Austria's offer of settlement is a fair and reasonable one. Austria is a small country with very limited resources. Her economic system was dislocated and torn apart by the dismemberment of the old Austrian Empire. What was previously a large, self-sufficient economic entity became a number of independent units separated by political frontiers and trade barriers. About one-third of a population of some 6,500,000 is concentrated in the city of Vienna. About one-half of the total area of Austria is used for agricultural purposes. The rest consists of forests and unproductive land. While progress is being made in agricultural development, Austria does not produce enough for her own needs and has to import large quantities of foodstuffs. There is iron ore in the country, but the development of

the steel and iron industry is handicapped by the entire lack of coal. This shortage of coal is a serious handicap to industry and the large coal imports exercise an adverse effect on trade balances. Austria has two important assets, extensive forests, which have led to the building up of paper and paper-products industry, and abundant water power, which, however, needs capital for development.

The trade balance has been consistently adverse. In 1926 imports exceeded exports by \$150,000,000; in 1927 by \$155,000,000. This, of course, makes foreign payments over a term of years difficult, if not impossible, were it not for the so-called invisible items, such as tourists' expenditures, emigrant remittances, traffic receipts, etc., which up to the present time have been sufficient to offset the adverse trade balance, to which must be added about \$30,000,000 a year which Austria has to send abroad to cover the service of her foreign debts, including the reconstruction loan but not the relief debts.

Unemployment is a serious problem. At the end of 1925, 1926, and 1927 there were over 200,000 unemployed. How low the standard of living must be is indicated by an estimated per capita income of only \$157 and the following table of wages:

Wages of bricklayers and masons per week as of July, 1928:	
Vienna	\$9.99
Berlin	16.25
London	20.20
Philadelphia	78.00
Wages of metal workers in Vienna:	
Skilled workers, per week	10.00
Auxiliary workers, per week	9.00
Unskilled workers, per week	7.00
Relative real wages as of July, 1928, taken from the International Labor Review, which uses the London figures as the standard, are:	
London	100
Philadelphia	179
Prague	48
Vienna	48

The revenue of the Federal Government as estimated in the 1929 budget amounts to \$187,000,000, of which \$38,000,000 are to be transferred to the Provinces and towns. Approximately \$46,000,000 are derived from direct taxes and approximately \$141,000,000 from indirect taxes. The maximum income-tax rate on individuals is 45 per cent and the exemption \$200. The corporation income-tax rate is 25 per cent. Out of a population of some 6,500,000 there are 2,100,000 individuals paying income tax as compared with 2,471,000 in the United States out of a population of 120,000,000. Of those paying income tax, 610,000 report an income of \$286 or less, 525,000 an income of \$430 or less, 462,000 an income of \$686 or less, 357,000 an income of \$1,460 or less, 105,000 an income of \$3,100 or less, and 42,000 people report an income in excess of \$3,100.

The public debts of Austria are as follows: Reconstruction loan, \$139,000,000; pre-war debts, \$33,000,000; relief creditors, \$178,000,000; owed to the national bank, \$16,700,000; or a total of \$366,700,000, to which must be added the debts of the Provinces and towns, amounting to \$72,000,000.

The cost of the debt service amounts to \$29,700,000 a year, of which \$22,700,000 must be paid abroad, to which foreign payments the payments on the debts of the Provinces and towns, amounting to about \$8,000,000, should be added.

The budget has been balanced for the last three years, if we exclude the amounts set aside for capital investments. Thus in 1927 the total revenue amounted to \$157,000,000, current expenditures amounted to \$141,000,000, but \$20,000,000 in addition was spent on so-called productive investments such as railroad reconstruction. The currency has been stabilized and the position of their national bank has been improving steadily.

The problem of payment of Austria's foreign relief debt is not primarily a budgetary but an economic one. As already stated, in so far as current expenditures are concerned, the budget can fairly be said to be balanced. The difficulty is that, as explained to the committee last spring, Austria needs to expend a very considerable sum for the rehabilitation of her physical plant, more particularly her railroad, telephone, and telegraph lines. The Austrian budget is not adequate to furnish the necessary funds. The private capital available for investment in Austria is totally inadequate. It is necessary, therefore, for Austria to borrow the needed capital abroad, and this can not be done unless the investments are productive and secondly unless the character of the investments themselves is such as to furnish the means of meeting interest and sinking-fund payments abroad in foreign currencies. Austria must increase her productive capacity. In order to increase her productive capacity she must have new capital from abroad. She can not obtain that new capital from abroad unless the relief creditors are willing to enable her to do so by making a reasonable settlement of the existing indebtedness. From which it follows that an unreasonable and exacting attitude on the part of her creditors may well impair their own ability ultimately to collect their debt when it falls due in 1943.

No one knows better than the members of this committee how impossible it is to estimate with any exactitude capacity to pay. The facts and figures presented are not conclusive, but they do serve to outline the general situation and indicate clearly enough that Austria is not in a position to meet heavy payments.

In this connection it can not be overlooked that the European creditors, who presumably are more familiar with Austria's capacity than we are and whose own needs are certainly greater than ours, have agreed that this is all that Austria can fairly be asked to pay. Taking this as well as all other circumstances into consideration, the State and Treasury Departments are strongly of the opinion that Austria's offer should be accepted.

The proposed settlement has been submitted to the former members of the Foreign Debt Commission who are in Washington and met with their unanimous approval.

I submit herewith the proposed agreement and the proposed terms of renewal bonds, together with a list of relief creditors, the amounts owed each, and the amounts they will receive under the terms of the settlement:

Relief debt (in dollars)

	Original debt	Debt on Jan. 1, 1928 ¹	Settlement			Total
			1929-1933	1934-1943	1944-1968	
Denmark	321,618	476,833	19,032	60,998	246,278	326,337
France	17,607,331	26,072,503	1,042,260	3,335,256	13,466,090	17,843,610
England	44,024,618	65,011,610	2,598,868	8,316,415	33,577,511	44,492,795
Netherlands	6,720,974	9,659,425	387,340	1,239,494	5,004,455	6,631,289
Norway	415,180	635,995	25,424	81,358	328,483	435,265
Sweden	19,889	29,059	1,161	3,717	15,008	19,887
Switzerland	4,639,898	6,893,338	275,565	881,812	3,560,315	4,717,692
Italy	22,210,867	31,427,617	1,256,307	4,020,200	16,231,550	21,508,057
United States	24,055,709	35,966,461	1,437,780	4,600,950	18,576,175	24,614,175
Total	120,016,120	174,202,841	7,043,737	22,540,200	91,005,865	120,589,107

¹ Interest included on basis of the rate of 6 per cent per annum, compounded semiannually to Jan. 1, 1925, and thereafter of the rate of 5 per cent per annum, compounded annually.

Agreement made the — day of —, 1929, at the city of Washington, District of Columbia, between the Federal Government of the Republic of Austria, hereinafter called Austria, party of the first part, and the Government of the United States of America, hereinafter called the United States, party of the second part

Whereas Austria is indebted to the United States as of January 1, 1928, upon an obligation designated as bond No. 1, relief series B of 1920, in the principal amount of \$24,055,708.92, together with interest accrued and unpaid thereon; and

Whereas Austria desires to liquidate said indebtedness to the United States, both interest and principal, through the issue of bonds to the United States, and the United States is prepared to accept bonds from Austria upon the terms hereinafter set forth;

Now, therefore, in consideration of the premises and of the mutual covenants herein contained, it is agreed as follows:

1. Amount of indebtedness: The amount of indebtedness to be liquidated is \$34,630,968.68, which has been computed as follows:

Principal of relief obligations..... \$24,055,708.92
Accrued and unpaid interest from Sept. 4, 1920, to Jan. 1, 1928, at 6 per cent per annum..... 10,575,259.76

Total indebtedness as of Jan. 1, 1928..... 34,630,968.68

2. Payment: In order to provide for the liquidation of the indebtedness, Austria agrees to pay and the United States to accept the sum of \$33,428,500, to be paid in 25 equal annual installments of \$1,337,140 each, on the 1st day of January, 1943, and on the 1st day of January of each of the subsequent years to 1967, inclusive. In lieu of these 25 payments Austria may, at its option, issue to the United States, at par, bonds of Austria in the aggregate principal amount of \$24,614,885, dated January 1, 1928, and maturing serially on the several dates and in the amounts fixed in the following schedule:

Jan. 1—	
1929	\$287,556
1930	287,556
1931	287,556
1932	287,556
1933	287,556
1934	460,093
1935	460,093
1936	460,093
1937	460,093
1938	460,093
1939	460,093
1940	460,093
1941	460,093
1942	460,093
1943	460,093
1944	743,047
1945	743,047
1946	743,047
1947	743,047
1948	743,047
1949	743,047
1950	743,047
1951	743,047
1952	743,047
1953	743,047
1954	743,047
1955	743,047
1956	743,047
1957	743,047
1958	743,047
1959	743,047
1960	743,047
1961	743,047
1962	743,047
1963	743,047
1964	743,047
1965	743,047
1966	743,047
1967	743,047
1968	743,047
Total	24,614,885

Provided, however, That if Austria shall exercise this option, the obligation of Austria to pay annuities during the years 1929 to 1943 will in the case of each annuity not arise if the trustees of the reconstruction loan of 1923 prior to the preceding December 1 have raised objection to the payment of the annuity in question on the due date. To the extent, if any, that any such annuity is not paid by reason of such objection on the part of the trustees, the amount thereof, together with interest at 5 per cent per annum compounded annually to December 31, 1943, shall be repaid, together with further interest at 5 per cent per annum, by 25 equal annuities on January 1 of each of the years 1944 to 1968, inclusive. Austria shall issue its bond to the United States for each of the 25 annuities similar in form to the bonds first to be issued hereunder, but dated January 1, 1943, bearing interest at the rate of 5 per cent per annum, and maturing serially on January 1 of each succeeding year.

Austria agrees that no payment shall be made upon or in respect of any of its obligations issued to the relief creditor nations, to wit, Denmark, France, Great Britain, Holland, Italy, Norway, Sweden, and Switzerland before, at, or after maturity, whether for principal or for interest, unless a similar and proportionate payment shall simultaneously be made upon the relief indebtedness of Austria to the United States as set forth above.

3. Form of bond: All bonds issued or to be issued hereunder to the United States shall be payable to the Government of the United States of America, or order, and shall be signed for Austria by its duly authorized representative. The bonds to be dated January 1, 1928, and maturing January 1, 1929, and annually thereafter to January 1, 1943, inclusive, shall be substantially in the form set forth in the exhibit hereto annexed and marked "Exhibit A," and shall be issued in 15 pieces with maturities and in denominations as herein above set forth, and shall bear no interest except that in the event that any bond is not paid on the date of its maturity interest shall be paid as specified in paragraph 2 above. The bonds to be dated January 1, 1928, and maturing January 1, 1944, and annually thereafter to January 1, 1968, inclusive, shall be substantially in the form set forth in the exhibit hereto annexed and marked "Exhibit B," and shall be issued in 25 pieces, with maturities and in denominations as herein above set forth, and shall bear no interest.

4. Method of payment: All bonds issued or to be issued hereunder shall be payable as to both principal and interest in United States gold coin of the present standard of value, or, at the option of Austria, upon not less than 30 days' advance notice to the United States, in any obligations of the United States issued after April 6, 1917, to be taken at par and accrued interest to the date of payment hereunder.

All payments, whether in cash or in obligations of the United States, to be made by Austria on account of the principal or of interest on any bonds issued or to be issued hereunder and held by the United States shall be made at the Treasury of the United States in Washington or, at the option of the Secretary of the Treasury of the United States, at the Federal Reserve Bank of New York, and if in cash shall be made in funds immediately available on the date of maturity, or if in obligations of the United States shall be in form acceptable to the Secretary of the Treasury of the United States under the general regulations of the

Treasury Department governing transactions in United States obligations.

5. Exemption from taxation: The principal and interest of all bonds issued or to be issued hereunder shall be paid without deduction for, and shall be exempt from, any and all taxes or other public dues, present or future, imposed by or under authority of Austria or any political or local taxing authority within Austria.

6. Security: Austria represents that the Reparation Commission, pursuant to the powers conferred upon it, has recognized that the bonds to be issued under this agreement shall enjoy the same security as the bonds of relief series B of 1920, and shall be a first charge upon all the assets and revenues of Austria, and shall have priority over costs of reparation under the treaty of St. Germain, or under any treaty or agreement supplementary thereto, or under any arrangements concluded between Austria and the allied and associated powers during the armistice signed on November 3, 1918, and the Austrian Government agrees that nothing in this agreement shall prejudice or affect the provisions contained in the bonds of relief series B of 1920 constituting such bonds a first charge upon all the assets and revenues of Austria (without prejudice, however, to the lien enjoyed by the reconstruction loan of 1923), so that if the Government of Austria should at any time without the assent of the holder of this bond pay or attempt to pay any sum whether in respect of reparation or by way of compensation for any nonfulfillment of the obligations of Austria under article 184 of the said treaty, the amount owing under the terms of bond No. 1, relief series B of 1920, for principal moneys and for any arrears of interest thereon at 6 per cent per annum, compounded semi-annually from September 4, 1920, to January 1, 1925, and thereafter at 5 per cent per annum, compounded annually, shall forthwith be paid in cash by the Austrian Government in priority to any such payments under the said treaty.

7. Compliance with legal requirements: Austria represents and agrees that the execution and delivery of this agreement have in all respects been duly authorized, and that all acts, conditions, and legal formalities which should have been completed prior to the making of this agreement have been completed as required by the laws of Austria and in conformity therewith.

8. Cancellation and surrender of obligations: Upon the execution of this agreement the delivery to the United States of the principal amount of bonds of Austria to be issued hereunder, together with satisfactory evidence of authority for the execution of this agreement by the representative of Austria and for the execution of the bonds to be issued hereunder, the United States will cancel and surrender to Austria at the Treasury of the United States in Washington the relief obligation of Austria now held by the United States.

9. Notices: Any notice, request, or consent under the hand of the Secretary of the Treasury of the United States shall be deemed and taken as the notice, request, or consent of the United States, and shall be sufficient if delivered at the Legation of Austria at Washington or at the office of the Ministry of Finance at Vienna; and any notice, request, or election from or by Austria shall be sufficient if delivered to the American Legation at Vienna or to the Secretary of the Treasury at the Treasury of the United States in Washington. The United States, in its discretion, may waive any notice required hereunder, but any such waiver shall be in writing and shall not extend to or affect any subsequent notice or impair any right of the United States to require notice hereunder.

10. Counterparts: This agreement shall be executed in two counterparts, each of which shall have the force and effect of an original.

In witness whereof, Austria has caused this agreement to be executed on its behalf by its duly authorized representative at Washington, and the United States has likewise caused this agreement to be executed on its behalf by the Secretary of the Treasury, with the approval of the President, pursuant to the act of Congress approved _____ all on the day and the year first above written.

THE FEDERAL GOVERNMENT OF THE REPUBLIC OF AUSTRIA,

By _____

THE GOVERNMENT OF THE UNITED STATES OF AMERICA,

By _____

Secretary of the Treasury.

Approved.

_____, President.

EXHIBIT A

(Form of bond 1929-1943)

THE REPUBLIC OF AUSTRIA

[Series B-1920, No. —. (Renewal bond)]

The Republic of Austria, hereinafter called Austria, for value received, promises to pay to the Government of the United States of America, hereinafter called the United States, or order, on January 1, —, the sum of \$——. This bond is payable as to both principal and interest in gold coin of the United States of America of the present standard of value, or, at the option of Austria, upon not less than 30 days' advance notice to the United States, in any obligations of the

United States issued after April 6, 1917, to be taken at par and accrued interest to the date of payment hereunder. Nevertheless, the obligation of Austria to pay this bond shall not arise if the trustees of the League of Nations loan have, prior to the 1st day of December preceding the maturity date of this bond, raised objection to the payment of this bond on the due date. If this bond is not paid on its due date by reason of such objection on the part of the trustees, the amount thereof, together with interest at 5 per cent compounded annually to January 1, 1943, shall be repaid, together with further interest at 5 per cent in 25 equal annual installments on the 1st of January of each of the years 1944 to 1968, inclusive.

This bond is payable as to both principal and interest without deduction for, and is exempt from, any and all taxes and other charges, present or future, imposed by or under authority of Austria or its possessions or any political or taxing authority within Austria. This bond is payable as to both principal and interest at the Treasury of the United States in Washington, D. C., or at the option of the Secretary of the Treasury of the United States at the Federal Reserve Bank of New York.

This obligation is one of a series of obligations of similar tenor, but in different amounts and payable in different currencies, designated as "Relief Series B of 1920 (renewal bonds)."

Austria agrees that no payment will be made upon or in respect of any of the obligations of the "Relief Bond Series B-1920" due on January 1, 1925, or upon or in respect of any of the obligations "Relief Series B of 1920 (renewal bonds)," or of any other obligations issued by Austria in renewal of the said "Relief Bonds Series B-1920" before, at, or after maturity, whether for principal or for interest, unless a similar payment shall simultaneously be made upon all the obligations of "Relief Series B of 1920 (renewal bonds)" issued by Austria in proportion to the respective obligations of said series.

The payment of this obligation is secured in the same manner and to the same extent as the obligation of Austria in the principal amount of \$24,055,708.92, designated as bond No. 1, Relief Series B of 1920.

Austria agrees that if at any time it should pay or attempt to pay any sum whether in respect of reparation or by way of compensation for any nonfulfillment of the obligations of Austria under Article 184 of the said treaty, the amount owing under the terms of bond No. 1, Relief Series B of 1920, for principal moneys and for any arrears of interest thereon at 6 per cent per annum, compounded semiannually from September 4, 1920, to January 1, 1925, and thereafter at 5 per cent per annum, compounded annually, shall forthwith be paid in cash by the Austrian Government in priority to any such payments under the said treaty.

This bond is issued under an agreement, dated ———, between Austria and the United States, to which this bond is subject and to which reference is made for a further statement of its terms and conditions.

In witness whereof Austria has caused this bond to be executed in its behalf at the city of Washington, D. C., by its duly authorized representative at Washington.

THE GOVERNMENT OF THE REPUBLIC OF AUSTRIA.

By ———.

Dated January 1, 1928.

EXHIBIT B

(Form of bond 1944-1968)

THE REPUBLIC OF AUSTRIA

[Series B-1920, No. —. (Renewal bond)]

The Republic of Austria, hereinafter called Austria, for value received, promises to pay to the Government of the United States of America, hereinafter called the United States, or order, on January 1, —, the sum of ——— dollars (\$——). This bond is payable as to both principal and interest in gold coin of the United States of America of the present standard of value, or, at the option of Austria, upon not less than 30 days' advance notice to the United States, in any obligations of the United States issued after April 6, 1917, to be taken at par and accrued interest to the date of payment hereunder.

This bond is payable without deduction for, and is exempt from, any and all taxes and other charges, present or future, imposed by or under authority of Austria or its possessions or any political or taxing authority within Austria. This bond is payable as to both principal and interest at the Treasury of the United States in Washington, D. C., or at the option of the Secretary of the Treasury of the United States at the Federal Reserve Bank of New York.

This obligation is one of a series of obligations of similar tenor but in different amounts and payable in different currencies, designated as "Relief Series B of 1920 (renewal bonds)."

Austria agrees that no payment will be made upon or in respect of any of the obligations of the "Relief Bond Series B-1920" due on January 1, 1925, or upon or in respect of any of the obligations "Relief Series B of 1920 (renewal bonds)" or of any other obligations issued by Austria in renewal of the said "Relief Bonds Series B-1920" before, at, or after maturity, whether for principal or for interest, unless a similar

payment shall simultaneously be made upon all the obligations of "Relief Series B of 1920 (renewal bonds)" issued by Austria in proportion to the respective obligations of said series.

The payment of this obligation is secured in the same manner and to the same extent as the obligation of Austria in the principal amount of \$24,055,708.92, designated as bond No. 1, Relief Series B of 1920.

Austria agrees that if at any time it should pay or attempt to pay any sum whether in respect of reparation or by way of compensation for any nonfulfillment of the obligations of Austria under article 184 of the said treaty, the amount owing under the terms of bond No. 1, Relief Series B of 1920, for principal moneys and for any arrears of interest thereon at 6 per cent per annum, compounded semiannually from September 4, 1920, to January 1, 1925, and thereafter at 5 per cent per annum, compounded annually, shall forthwith be paid in cash by the Austrian Government in priority to any such payments under the said treaty.

This bond is issued under an agreement dated ———, between Austria and the United States, to which this bond is subject and to which reference is made for a further statement of its terms and conditions.

In witness whereof Austria has caused this bond to be executed in its behalf at the city of Washington, D. C., by its duly authorized representative at Washington.

THE GOVERNMENT OF THE REPUBLIC OF AUSTRIA.

By ———.

Dated January 1, 1928.

Mr. HAWLEY. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman and gentlemen of the committee, it seems that in considering the funding or settlement of these various debt settlements we are apt to lose sight of the fact that they are simply unavoidable and inevitable incidentals of the tremendous cost of war. One can not help being impressed with the fact that we are able to extend help of this kind to nations, not only nations with which we were associated in the war but even enemy nations, only as a war measure, while in peace time, as has been many times repeated, the same kind of help, regardless of the benefits that might be brought about, would be clearly unconstitutional. We could not do as much even to prevent a war. It does seem strange that what might well be done for world peace—what is generally necessary after every war—can only be brought about after actual warfare has taken its terrible toll.

In considering the amounts involved here to-day and the amount involved yesterday in the Greek debt the committee might get an idea of what a trifling matter it is after all if you stop to consider that a 2-hour barrage laid down by an artillery division of an army corps would cost more than the amount here involved. Two hours of scientific, wholesale murder and destruction costs more than an amount necessary for the construction of a new republic—the use of the money to be enjoyed by a whole nation for a generation.

The cost of peace is so little in comparison to the cost of war that one can not help to wonder why there are so many limitations and prohibitions to the spending of public funds for humanity in time of peace and none for war purposes.

One of the very few hopes realized out of the war is the elimination of the Hapsburg dynasty and the Hohenzollern dynasty and the creation of the Republics of Czechoslovakia, Poland, Austria, Lithuania, and Germany.

Mr. O'CONNELL. And Ukraine.

Mr. LAGUARDIA. And Ukraine as an independent state. Now, what I desire to bring out at this time is this, gentlemen: That when two private individuals enter into an agreement it is optional with them whether they will make that agreement binding on the heirs, assigns, or successors of the contracting parties. The same is true in an agreement of this kind, a debt settlement between two nations. I desire to state at this time that it is our intention to make this agreement with the Republic of Austria, and to declare that it is not our intention to pass any of the benefits in this bill contained to any dynasty that might succeed to the present republican form of government. The Austrian Republic, let us hope, is permanent. We know it is stable and has been most successful. There has been more real reform, more welfare legislation, more security for the workers in five years of the Austrian Republic than in a century under the Hapsburg dynasty.

There is a tendency in Europe, not very strong, I am pleased to say, but there is a tendency on the part of a few, a minority, to return to monarchical form of government. There is an underground, secret movement in Bavaria to bring back a Hohenzollern. There is a decided, open movement in Hungary, formerly a part of the dual empire of Austria-Hungary, to restore on the throne of Hungary one of the despised Hapsburgs.

Gentlemen, I feel that the whole purpose of our assistance to these countries, the whole purpose of our interest in the welfare of the people of these countries, would be absolutely lost if a Hohenzollern or a Hapsburg were to be returned to power. I think I may say that it is the sense of the House, as well as that of the American people, that they would look with disfavor on the return of a Hapsburg to the throne of Hungary or the return of a Hohenzollern to the throne of any part of the present Republic of Germany. Let the people of these new republics know that the people of the United States are with them heart and soul and will continue our help for the permanency of free government based on equal rights. We know that the peace of the world is safe in the hands of the people. It is not safe when in the keeping of kings and emperors. [Applause.]

Mr. HAWLEY. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. Mr. Chairman and gentlemen of the committee, I shall devote myself only to the last suggestion of the gentleman from Texas, my good friend, Mr. GARNER, in which he said that the people and the Government of Austria should pay the indebtedness which they have already incurred for food, clothing, and other relief; in other words, for the necessities of life, before they incur an indebtedness for other purposes. I do not recall just how the gentleman characterized "the other purposes," but his meaning was that the obligations already incurred by Austria, amounting, as I recall it, to about \$120,000,000 to various governments under the so-called relief loans, are of a higher character and more appealing and more essential, more sacred, perhaps, than the indebtedness which it is proposed Austria may be enabled to incur under the postponement arrangement in this bill.

The fact is that Austria finds herself in probably the most difficult situation of all of the new countries of Europe. Her entire economic, industrial, and commercial structure was established prior to the war upon the basis of the various constituent parts of the former empire. To-day, Austria is composed only of a very small part of what was formerly the territory of the Austro-Hungarian Empire and it has little diversification of industry such as is necessary for the successful operation of the business activities of a people.

One of the important sources of revenue for Austria to-day, I am told, is the flood of tourists who go there for the purpose of seeing her marvelous collection of treasures of art. In order that Austria may be attractive to the world and in order that Austria may receive the income from this source of tourists which would rightfully belong to her, it is necessary that she have proper communications with the countries surrounding her. It has therefore become absolutely essential that Austria shall be enabled to rehabilitate her railroad system. In addition, her railroad system is a part of the transcontinental line across Europe, and if the Austrian portion of that transcontinental line is not rehabilitated and maintained not only available, but advantageous, for usage, it will follow that the transcontinental railroad will take some other route and Austria will lose the benefit and advantage which it has always had from this source.

Austria's telephone system, her telegraph system, and all the means of communication during the years following the war have necessarily been neglected so that it is now necessary that she secure money in order to rebuild and reconstruct these facilities. Without these facilities, her future is quite hopeless, and therefore it has been proposed that the nations of the world who have liens upon the revenues of Austria on account of the relief loans shall make it possible for Austria to borrow money elsewhere for the rehabilitation, principally, of these communication facilities.

In addition to this, if this arrangement is made, Austria will be able to borrow this money upon much better terms than it would be possible for her to obtain it in the event this arrangement was not made.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HAWLEY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. CHINDBLOM. Those who have studied the map of Europe as it appears since the war, and who have studied the history of the development on the Continent since the war, will readily realize that Austria, situated in the very heart of Europe, cut off from sea communication, separated from most of the territory which formerly was a part of the empire, deprived of much of the material resources, and especially of the raw materials which belonged to the empire before the war, confined to a small strip of territory, a considerable portion of which consists of a large city, will have great difficulty in read-

justing her finances, her industries, and her economic development to the new situation.

It is for the purpose of making it possible for Austria to obtain money to rehabilitate its economic and industrial structure, make it possible for Austria to become self-supporting and retain some of the revenues to which it is naturally entitled, that this bill has been proposed, and it is a part of a large international arrangement. All of the other countries, which are European nations, have agreed to this plan. It can not be put into effect without the consent of the American Government. Of the \$120,000,000 of relief loans, we advanced, as I recall it, \$24,000,000, and that is a considerable part of the indebtedness, and our position in the world to-day in both domestic and international finance is such that unless we consent to this arrangement, it can not and will not be made.

Of all the proposals which have come to us for the settlement of loans with countries in Europe, I think this is the most deserving. To me it is the most appealing. I believe the situation of Austria following the war has been the most unhappy of all of the countries whose internal conditions were disturbed by that great catastrophe. It would be very appropriate, indeed, if this bill could pass with practical unanimity. [Applause.]

Mr. HAWLEY. Mr. Chairman, I think it is not necessary to restate the arguments in behalf of this measure that have been so well presented, and will only say that I think this proposal is for the distinct advantage of the United States and Austria. I understand that there is no more general debate desired and I ask that the bill be read for amendments.

The Clerk read the bill.

Mr. BLANTON. Mr. Chairman, I move to strike out the last paragraph.

Mr. Chairman, it is a strange fact to me that the credit of the city of Vienna is reputed to be stronger and greater and better than the credit of the entire Austrian Government. I am with my colleague Mr. GARNER on this bill and shall vote against it. It is a new kind of doctrine to me—that which our colleague from New York [Mr. O'CONNOR] preaches—that the credit of the city of New York is better and more substantial than the credit of the Federal Government of the United States.

Mr. O'CONNOR of New York. It is about 20 years ago when the credit of New York City was better than the credit of the Nation—the revenue was greater and the budget bigger.

Mr. BLANTON. It has not been many months since that same kind of doctrine was preached in this House and Nation that the interest and appetite of the great city of New York were paramount to the interests of the people of the United States—to the detriment of many of us, the people have passed on that question.

Mr. O'CONNOR of New York. Of course, some things happened in primaries before that.

Mr. BLANTON. Oh, yes; but the Houston convention took place before most of the primaries.

Mr. O'CONNOR of New York. The gentleman started out with the city of Vienna, and it is a long way to Houston.

Mr. BLANTON. I deny that the credit of any city in this Nation is better than that of the Nation itself.

Mr. BURTON. If the gentleman will yield; does he not recognize that the comparative credit of a nation and an integral part of it—the comparative credit of Austria and Vienna—depends very largely upon the indebtedness of each.

Mr. BLANTON. Yes; the stability of the credit of the city of New York affects the United States in a way, but it is not greater and is not better than the credit of the Government itself.

Mr. BURTON. I do not think the gentleman understood my point. Suppose the indebtedness of Austria is \$200,000,000 and the indebtedness of Vienna is \$5,000,000. Would not that be an important factor in the question of whether the credit of the city of Vienna was better than that of the Republic of Austria? Is not the determinate question the comparative amount of indebtedness of the two; and I ask again, can the gentleman from Texas state what the indebtedness of Vienna is and what the indebtedness of Austria is?

Mr. BLANTON. I want to answer the gentleman from Ohio by asking him a question. Does he agree with the statement made by my friend from New York [Mr. O'CONNOR] that the credit of the city of New York is better than the credit of this Government? Does the gentleman from Ohio agree with that statement?

Mr. BURTON. That would depend entirely upon circumstances.

Mr. BLANTON. The United States Government can look to the assets of any State or city in the country.

Mr. O'CONNOR of New York. I am not so sure of that.

Mr. BLANTON. It can and will do it if the necessity for it ever comes.

Mr. O'CONNOR of New York. The revenues of the city are sometimes more than the revenues of the State.

Mr. BLANTON. I can not forget in this Chamber 12 years ago the speeches made by these self-same gentlemen urging a declaration of war on a certain country.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I ask for three minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Then they were thinking more about the rights of the people of the United States than they were of the needs of the Austrian Government, and it was the act of that Government that caused this country to declare a state of war to exist. We have done our part; we are not called upon, as my colleague [Mr. GARNER] has argued, to reduce our debt to 31 cents on the dollar, and also release our first lien securing the loan in order that international banks may be secured in their loans.

I think we have gone far enough. I did not vote for the settlement passed yesterday, which proposed to lend Greece \$12,000,000 to try to collect back \$6,000,000 of old debt. I did not vote for that, and I shall not vote for this one. I do not think any argument has been advanced yet that would show the soundness of the proposition of passing this bill. Of course, it can not be defeated, but I shall be one who will vote against it.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. Under the rule, there being no further amendments, the committee will automatically rise.

Accordingly, the committee rose; and the Speaker having resumed the chair, Mr. HOCH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration House Joint Resolution 340, to authorize the Secretary of the Treasury to cooperate with the other relief creditor governments in making it possible for Austria to float a loan in order to obtain funds for the furtherance of its reconstruction program, and to conclude an agreement for the settlement of the indebtedness of Austria to the United States, and had directed him to report the same back to the House with the recommendation that it do pass.

The SPEAKER. Under the rule the previous question is ordered. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is, Shall the resolution pass?

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 140, noes 26.

So the joint resolution was agreed to.

On motion of Mr. HAWLEY, a motion to reconsider the vote by which the joint resolution was agreed to was laid on the table.

INTERIOR DEPARTMENT APPROPRIATIONS

Mr. CRAMTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 15089) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1930, and for other purposes. Pending that, I ask unanimous consent that the time for general debate be equally divided between the gentleman from Colorado [Mr. TAYLOR] and myself.

The SPEAKER. The gentleman from Michigan moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the Interior Department appropriation bill, and pending that asks unanimous consent that the general debate be divided equally, to be controlled by the gentleman from Michigan [Mr. CRAMTON] and the gentleman from Colorado [Mr. TAYLOR]. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Michigan.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 15089, the Interior Department appropriation bill, with Mr. CHINBLOM in the chair.

The Clerk read the title of the bill.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CRAMTON. Mr. Chairman and gentlemen of the committee, this is the eighth time that I have had the privilege of bringing into this House the Interior Department appropriation bill. The gentlemen associated with me on the subcommittee in charge of the bill, the gentleman from Ohio [Mr. MURPHY], the gentleman from Idaho [Mr. FRENCH], the gentleman from Colorado [Mr. TAYLOR], and the gentleman from Oklahoma [Mr. HASTINGS], have nearly all of them been engaged for nearly that long upon this bill. I might state also that a majority of that subcommittee comes from States where they have been for many years in their daily lives in contact with the problems of this department, which particularly concern the West. We have all been impressed this year in the preparation of this bill with the difficulty under the rules of the general Committee on Appropriations in framing a bill entirely satisfactory to us. Since the adoption of the Budget system it has been the policy of the general Committee on Appropriations to keep each bill reported to the House within the total recommended by the Budget.

Without cooperation effectively between the legislative and the executive branches of the Government there could not be any useful and beneficial operation of a Budget system. Congress has given effective support to the Executive in his effort to hold down expenditures, so that each year since we have had the Budget system the total of appropriations made by the Congress has been somewhat lower than the figures estimated by the Budget. It has been our effort to cut below the Budget where it was possible, but in no case to report a bill that was higher in its total than the Budget. After these several years of paring and scaling down on the Interior Department appropriation bill, a bill that was not inflated in the war period, but that has been reduced in the period of deflation since that time, a pretty lean proposition came to the Congress this year from the Budget for the Interior Department. I think there are many more items which the committee felt should be increased, if it were possible, if the financial resources permitted it, than there are items that could well be decreased.

HON. ROY O. WEST, SECRETARY OF THE INTERIOR

In the preparation of this bill we have had the full cooperation of the Department of the Interior and the new Secretary of the Interior, Hon. Roy O. West. He appeared before the committee. I had not had acquaintance with the new Secretary prior to his appointment, but have had an excellent and full opportunity to learn of his work as Secretary and to learn of his general attitude toward the problems of his department and the policies of his administration through some 10 days of travel with him in the field and through various conferences pertaining to matters of policy affecting the department. In my judgment, the new Secretary is destined, if he is given the opportunity by length of service, to become one of the great Secretaries of the Interior, and I personally believe the best interests of the department would be served thereby. Secretary West, handicapped by his residence in the East and a consequent lack of contact with the problems before he entered upon his office, has made use of every opportunity to acquire the necessary personal knowledge by examination of the problems in the field and has the capacity to absorb the material facts of a situation very rapidly.

In addition he has an attitude toward the public interest that is clearly uninfluenced by any personal or sectional or private interest that has commended him very highly in my regard, and I am sure the regard of the committee. The department under his administration has been making splendid progress, with a strengthening of morale in all branches of the department.

In my remarks to-day it will not be my effort to speak in detail of the provisions of the bill; that is manifestly impossible, because it is a bill of 118 pages, with a multitude of items.

I will leave the discussion of most of these matters under the 5-minute rule when the bill is read for amendment, and in the main I speak to you now only of the general policies that govern the framing of this bill.

SALARY INCREASES BY REALLOCATIONS BY CLASSIFICATION BOARD

There is an item early in the bill that should be called to your attention. It is on page 3 of the bill, where you will find a provision which reads:

When specifically approved by the Secretary of the Interior, transfers may be made between the appropriations in this act under the respective

jurisdiction of any bureau, office, institution, or service, in order to meet increases in compensation resulting from the reallocation by the Personnel Classification Board of positions under any such organization unit. Any such transfers shall be reported to Congress in the annual Budget.

That matter is deemed necessary because of the situation that was called to the attention of the committee by Governor Spry, Commissioner of the General Land Office, a very capable, independent, and efficient executive as our committee has come to know. He explained to the committee the difficulty that confronts any bureau in the event that a number of appeals for reallocation are granted in that bureau by the Federal Personnel Classification Board in case of any items where the money had already been entirely allocated, the law requiring those increases of salary to be immediately effective upon the action of the Federal Classification Board. The only way that those increases of salary could be paid—if the item had been absorbed under the previous allocation—the only way those increases of salary could be paid would be to furlough some other employees of that particular unit without pay. That would not be required in many instances. It would not be required in a large item where there is always slack caused by vacancies, and so forth.

It would probably not be required in an appropriation item covering other things than salaries where money would be held in hand during the year in some degree. But in a comparatively small item devoted entirely to salaries it is very possible that that could happen. If those increases were brought about in the early part of the year, a deficiency could be brought to the attention of the Congress and relief granted; but if the situation should develop after the 4th of March, then the only way apparently to meet the situation would be to furlough other employees without pay. That would not be fair, and I would not want to advocate that. It would be not only unfair to the individual furloughed but it would be highly destructive to the efficiency of the unit.

Mr. O'CONNELL. But is that right?

Mr. CRAMTON. No; and we seek to correct it. I will ask unanimous consent to revise and extend my remarks by inserting such extracts from the hearings or other papers or comment as I may think desirable.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to revise and extend his remarks by inserting extracts from hearings, pamphlets, and so forth, and such comment as he may think desirable. Is there objection? [After a pause.] The Chair hears none.

Mr. CRAMTON. And in doing it I desire to include the statement of Governor Spry which inspired the thought of the committee on this proposition:

For instance, on October 10, 1928, this bureau was advised through the department of the amount of the approved estimates therefor. Three days later the bureau was notified that nine employees had been reallocated to a higher grade on appeal, as of October 1. Later several other reallocations on appeal were allowed. These reallocations increase the pay roll \$2,700 per annum, and the cost for the remaining months of this fiscal year is \$2,008. There are still a number of appeals pending before the Personnel Classification Board, and, while we believe that some will be denied, we are fairly certain that several others (including several members of the law division and two employees of the division of surveys whose appeals for reallocation from professional 3 to the new vacant professional 4 have received favorable indorsement) will be allowed. Some of the recent reallocations, involving employees in the mineral division, will no doubt lead to appeals by employees in other divisions of the bureau, perhaps to the number of about 40.

If any considerable number of reallocations are made in addition to those recently received, and they are made, say, for instance, on March

5, effective as of March 1 according to the practice, there is no tribunal to which the bureau can submit a deficiency estimate, Congress having adjourned. It can not incur a deficit to be met by an appropriation the following winter and it is faced with the necessity of resorting to dismissals or furloughs. As a business proposition the rendition of adequate service to the public would suggest the maintenance of the force at existing salaries rather than the reduction of the force in order to pay those remaining higher rates of pay.

There is an erroneous impression among the employees that a reallocation carrying a higher rate of pay automatically brings about a deficiency appropriation if there are insufficient funds to meet the added expense. Other employees who do not entertain that misconception are reported to entertain the belief that the bureau is negligent in securing funds adequate to meet such emergencies, little realizing that the bureau at every opportunity endeavors to secure adequate appropriations.

I am venturing these few remarks not by way of criticism of any other agency of the Government but merely to emphasize the need for a little leeway to take care of the financial embarrassment that results by reason of the fact that another agency can create an additional charge upon our appropriations. The matter is one which sooner or later will require attention, not only as concerns our bureau but other bureaus and offices throughout the Government service.

What the committee will propose to do is to permit in such a case as that a transfer of funds from some other appropriation of that bureau or service. Of course, that takes care of the increases without these furloughs or any disruption of business. I do not believe it is a provision that will be used often, but in a few cases it will be highly beneficial. There are four safeguards around it. In the first place the emergency arises because of the action of an outside agency, the classification board. Secondly, the bureau must find the money in some other appropriation of that bureau. In the third place, it can only be done with the specific approval of the Secretary of the Interior. In the fourth place, it must be reported to the Congress in the annual Budget, and will, of course, have the scrutiny of the Committee on Appropriations.

BILL COMPARED WITH 1929 AND WITH ESTIMATES

The estimates upon which this bill is based were submitted by the President in the Budget and will be found in detail in Chapter V of that document, pages 485 to 773, inclusive, aggregating \$285,245,045.78.

In addition to the regular annual appropriations, the estimated permanent and indefinite appropriations for the fiscal year 1930 aggregate \$25,712,000, making the total of the estimates for the Interior Department for the fiscal year 1930, \$310,957,045.78.

The permanent annual appropriations are those which occur automatically each year without annual action by Congress, having been created specifically by Congress in previous years and continuing as such until modified or discontinued.

The total regular annual appropriations for the Interior Department for the fiscal year 1929, including \$522,500 in the second deficiency act, 1928, amounted to \$273,178,539.

The amount recommended to be appropriated in this bill is \$283,287,963.02. This sum, compared with the regular annual appropriations for 1929 and the estimates for 1930 is as follows:

It is \$10,109,424.02 more than the 1929 appropriations and \$1,957,082.76 less than the Budget estimates for 1930.

REVIEW OF APPROPRIATIONS, 1922 TO 1930

Under the leave granted now I will insert in my remarks, as I did last year, a review of appropriations for this department, beginning with the year 1922 by bureaus, so that anyone who is interested in following the growth or the diminishing of these appropriations in the different bureaus year by year may have the figures available.

Appropriations for Department of the Interior, 1922-1930

Year	Secretary's office	Land Office	Indian Bureau	Pension Bureau	Reclamation Bureau	Geological Survey	National Park Service	Bureau of Education
1922.....	\$2,131,070.00	\$3,125,015.00	\$10,342,304.00	\$266,830,920.00	\$20,277,000.00	\$1,614,340.00	\$1,433,220.00	\$586,960.00
1923.....	1,572,920.00	2,954,550.00	10,134,852.00	254,246,191.00	14,800,000.00	1,450,940.00	1,446,520.00	621,900.00
1924.....	1,461,020.00	2,942,600.00	11,317,655.00	254,774,600.00	12,250,000.00	1,670,190.00	1,589,730.00	644,200.00
1925.....	1,693,240.00	2,940,820.00	11,276,220.00	224,616,000.00	12,867,500.00	1,706,482.00	2,880,535.00	702,380.00
Field classification.....		259,180.00	1,653,061.00		373,020.00	28,941.00	102,122.00	72,735.00
Total, 1925.....		3,200,000.00	12,929,281.00	224,616,000.00	13,240,520.00	1,735,423.00	2,982,657.00	775,115.00
1926.....	797,585.00	2,633,590.00	11,918,270.00	199,095,000.00	9,999,000.00	1,879,310.00	3,218,409.00	794,495.00
1927.....	803,000.00	2,342,300.00	12,901,160.00	198,921,000.00	7,556,000.00	1,819,440.00	3,698,920.00	864,100.00
1928.....	865,600.00	2,297,550.00	16,421,486.00	208,816,000.00	11,953,800.00	1,807,880.00	4,874,685.00	921,220.00
1929.....	850,200.00	2,138,050.00	14,284,509.00	231,753,000.00	12,829,000.00	1,816,080.00	4,659,700.00	941,300.00
1930.....	917,000.00	2,189,000.00	16,268,103.02	243,211,000.00	6,440,000.00	2,040,800.00	7,340,940.00	1,071,940.00

Appropriations for Department of the Interior, 1922-1930—Continued

Year	Territories, government in	St. Elizabeths Hospital	Columbia Institution for the Deaf	Howard University	Freedmen's Hospital	Miscellaneous	Total	Total, exclusive of Pensions and Reclamation	Total, exclusive of Pensions
1922	\$4,028,950.00	\$1,114,500.00	\$106,000.00	\$280,000.00	\$116,020.00		\$311,986,299.00	\$26,709,299.00	\$46,986,299.00
1923	4,618,620.00	1,100,000.00	104,000.00	190,000.00	118,555.00	¹ \$8,016.00	293,367,124.00	26,567,124.00	41,367,124.00
1924	2,150,540.00	1,146,500.00	107,000.00	232,500.00	172,800.00	² 2,845,309.00	293,404,824.00	31,154,824.00	43,404,824.00
1925	1,314,310.00	1,008,000.00	109,000.00	365,000.00	174,700.00		261,541,687.00	24,170,987.00	39,534,146.00
Field classification	6,600.00						2,608,459.00	2,122,639.00	
Total, 1925	1,320,910.00	1,008,000.00	109,000.00	365,000.00	174,700.00		264,150,146.00	28,409,626.00	41,650,146.00
1926	1,912,237.00	1,023,000.00	113,400.00	591,000.00	202,950.00		234,178,246.00	27,179,246.00	37,178,246.00
1927	1,965,708.00	924,000.00	113,400.00	218,000.00	166,390.00		227,323,418.00	27,767,418.00	35,323,418.00
1928	1,620,200.00	929,000.00	113,400.00	368,000.00	188,000.00		311,176,821.00	32,223,021.00	44,176,821.00
1929	1,599,200.00	1,313,000.00	130,000.00	390,000.00	474,500.00		273,178,539.00	³ 28,596,539.00	⁴ 42,425,539.00
1930	1,419,600.00	1,430,000.00	120,000.00	600,000.00	260,180.00		283,287,963.02	⁵ 33,627,963.02	⁶ 40,076,963.02

¹ Miscellaneous relief acts.² Increase of compensation.³ Does not include \$19,950,000 appropriated to the civil service retirement fund.⁴ Proposed in accompanying bill.⁵ Does not include \$20,500,000 appropriated to the civil service retirement fund.

INDIAN AFFAIRS

A subject of prime importance which has had particularly careful study on the part of the committee in connection with this bill is the budget for the Bureau of Indian Affairs.

The appropriations recommended from Government funds are \$2,187,594.02 greater than such appropriations for 1929. The committee figure is \$312,987.24 above the Budget estimate. Of these proposed appropriations the amount reimbursable by the Indians is \$1,685,261, as against \$2,060,689 for 1929. The non-reimbursable appropriation from Government funds for 1929 was \$12,223,820.29 and for 1930 was \$14,786,842.02. This increase of \$2,563,022.02 in expenditure of nonreimbursable public funds is chiefly devoted to health and education.

REIMBURSABLE ITEMS

And in that connection let me say that it has been the policy of this committee in the last two or three years to treat reimbursable items in this way. It had been fashionable for a number of years to make appropriations from the Treasury for the benefit of the Indians and to provide that they should be reimbursable by the Indians. In many cases that has been done when the Indians were known to have no money, and when it was known that there was no likelihood that they would ever have money to pay it; but it made it look nice and rather sugar-coated the pill.

It seemed to the committee that we should not provide for reimbursement unless there was reasonable ground that reimbursement would sometime come. It seemed as if Uncle Sam should get credit for being generous when he is generous and not carry a lot of dead accounts. In other cases it has been the custom, when the Indians had a large amount of money on hand, to let it be reimbursable. It seemed to us that if the Indians had the funds and it was a proper expenditure of that money, then instead of entering the reimbursable charge against the books, we should appropriate the money and close the transaction. The amount of nonreimbursable appropriations from Government funds for 1929 was \$12,223,820 and for 1930 they are \$14,696,842.02. This is an increase of \$2,473,022 in the expenditure of nonreimbursable funds, and this increase is chiefly devoted to health and education.

CONSERVATION OF HEALTH

The appropriation for such funds for conservation of health in 1929 was \$1,489,500; for 1930 it is \$2,699,600, or an increase of \$1,210,100, and an increase of \$366,600 above the Budget estimate; and those increases with reference to health come largely through the continued construction of hospitals for the care of Indians.

I will insert in my remarks a statement of the appropriations for health purposes in years past. Mr. FRENCH, of the committee, brought out this information, as I recall, that beginning in 1910 there was an appropriation of \$10,000. So recent as that was the appropriation of money for the first time directly for the benefit of health among the Indians. I do not doubt that before that time considerable expenditures were made incidental to the work of administration and otherwise concealed in other items; but that was the first item exclusively for that purpose. In the past six or seven years our committee has followed carefully a policy of a somewhat rapid increase in that item. We have not thought it was desirable, and it was not possible suddenly in one year to build all the hospitals that one might think were needed. We did not think the best results would be accomplished in that way; but constant investigation has been made, and each year new in-

stitutions have been provided, and the total has increased each year, and of course the expenses for maintenance have been increased thereby as well. So the item has been growing up rapidly. The table since 1910 is as follows:

Statement of appropriations for health purposes and hospital facilities from 1910 to 1928

Year	Appropriation	Hospitals ¹	Capacity	Patients treated
1910	{ \$5,000 \$12,000 }	(²)	(³)	(⁴)
1911	40,000	50	1,268	8,408
1912	60,000	⁵ 63	1,256	9,515
1913	90,000	48	1,358	9,775
1914	200,000	51	1,432	11,590
1915	300,000	74	2,045	12,201
1916	300,000	81	2,283	15,666
1917	350,000	81	2,273	16,940
1918	350,000	87	2,511	17,440
1919	375,000	88	2,474	19,107
1920	350,000	85	2,190	16,954
1921	350,000	85	(⁶)	(⁷)
1922	370,000	73	2,411	(⁸)
1923	370,000	77	2,518	(⁹)
1924	370,000	80	2,475	(¹⁰)
1925	500,000	82	2,573	28,748
1926	750,000	87	2,750	30,606
1927	756,000	88	2,852	29,439
1928	948,000	89	3,069	¹¹ 34,100
1929	1,440,000	92	3,186	

¹ "Hospitals" includes Canton Asylum, tuberculosis sanatoria, sanatorium schools, school infirmaries, and other converted or improvised housing facilities where bed patients were quartered and given treatment.

² \$5,000 for vaccinations and \$12,000 for trachoma work.

³ Data not available.

⁴ Includes rooms in dormitories used for ill pupils.

⁵ Does not include rooms in dormitories used for ill pupils.

⁶ Figures incomplete.

⁷ Hospitals in actual operation. Nine additional hospitals are under construction and in process of being made ready for operation.

This year there is a greater increase than in any year before, going from \$1,489,500 in 1929 to \$2,699,600 proposed in this bill.

Further, the committee have found that in other years the pressure for funds has been so acute and the effort to spread the money around so strenuous that sometimes an institution was planned and constructed which was not adequate to the needs it was to meet when it was constructed. For instance, I visited a reservation this past summer where they have a great deal of tuberculosis and a great deal of venereal disease. The tribe has large funds to its credit, and their funds were being used to build a new hospital, but I found that the money appropriated last year for the construction of that hospital was not sufficient to include an isolation ward where contagious diseases might be cared for properly, and that they would not have sufficient room for desirable tuberculosis wards. This bill carries a supplemental item for that.

In an endeavor to avoid that error in the future we have, as to each new hospital proposed in this bill, asked the head of the Indian Health Service, Doctor Guthrie, a very distinguished and capable man who is on loan to the Indian Service from the Public Health Service—we asked him to indicate to the committee whether the Budget item in each case of new construction was sufficient to build the kind of an institution that was needed at that point, and on his advice most of these Budget estimates for new hospitals have been increased.

The following will be of interest as demonstrating the definite advance that is being made in the two years, 1929 and 1930, in additional hospital facilities:

New construction authorized for 1929

Fort Defiance Sanatorium, 80 to 100 beds.....	\$55,000
Soboba Hospital, 30 beds.....	30,000
Fort Berthold Hospital, 20 beds.....	20,000
Claremore Hospital, 34 beds.....	50,000
Total.....	155,000

New construction requested for 1930 in estimates

Colorado River Hospital, 30 beds and cottage.....	\$40,000
Orabi Sanatorium, 50 beds.....	60,000
Fort Belknap Hospital, 30 beds.....	35,000
Tongue River Hospital, 30 beds and connecting with water and sewer systems.....	45,000
Turtle Mountain Hospital, 30 to 35 beds.....	40,000
Pine Ridge Hospital, 40 or more beds.....	60,000
Total.....	280,000

Bed capacity of new hospitals authorized for 1929

	Beds
Fort Berthold.....	20
Claremore.....	34
Fort Bidwell.....	25
Soboba.....	30
Fort Defiance Sanatorium.....	80-100
Santa Fe School.....	60
San Carlos (Rice Station).....	30
Total beds.....	279-299

NOTE.—Soboba Hospital is a replacement with same capacity; Santa Fe School Hospital will add 25 beds; and San Carlos Hospital will add 18 beds to present total. In other words, these new hospitals will provide a net increase of 202 to 222 beds.

Increases in bed capacity by enlargements authorized at existing hospitals for the fiscal year 1929

	Beds
Hoopa Valley Hospital.....	10-12
Winnebago Hospital.....	10-12
Sac and Fox Sanatorium.....	20
Total.....	40-44

The bed capacity at the end of the fiscal year 1928 was 3,069 beds, and at the end of 1929 will be 3,531 to 3,555 beds, a net increase of 462 to 486 beds. This increase is due to the opening of new hospitals since July 1, hospitals to be opened, new construction, and enlargements, as follows:

	Beds
Fort Apache, new hospital added.....	24
Western Navajo, new hospital added.....	25
Albuquerque School, new hospital added.....	25
Tohatchi Hospital.....	15
Chin Lee Hospital.....	15
Havasupai Hospital (infirmary).....	6
Taos Hospital.....	12
Yakima Sanatorium.....	40
Kayenta Sanatorium (converted school plant).....	50
Cheyenne and Arapaho Hospital (roofs of wings raised during reroofing operations).....	28
New construction above noted.....	202-222
Enlargements above noted.....	40-44
Total beds to be added.....	482-506
Southern Pueblos, temporary trachoma hospital discontinued.....	20
Net increase in bed capacity.....	462-486

To the above are to be added the committee items:

	Beds
Cheyenne River and Standing Rock Sanatorium.....	50
Pawnee and Ponca Hospital.....	40
Total.....	90

Altogether making a net increase of at least 552 beds in the two years' program.

All of the above is in the form of gratuity appropriations from the Treasury for the benefit of the Indians. In addition, much health work is being done with tribal Indian funds where such funds are available. In 1928, \$191,810 was expended, in 1929, \$250,000 is estimated, and for 1930, \$275,000 is proposed.

When we had finished the consideration of the Budget estimates we asked Doctor Guthrie to call to the attention of the committee the most urgent property needs of the health service among the Indians. We explained to him that we realized the full measure of his needs would run into a much larger sum than we could consider, but for him to suggest the items most needed that would come within a reasonable limit.

As the result of that two other hospitals were inserted in the bill—the Pawnee and Ponca, in Oklahoma, and the Cheyenne River and Standing Rock Sanatorium, in South Dakota. In addition, as the result of his appeal and response to that request, provision was made for several additional field nurses.

I am trying to emphasize that the matter of health among the Indians has been having careful consideration by the committees of Congress as well as by the department, and this bill before you is one that is very generous and is far-reaching in its provisions with reference to that subject.

EDUCATION

For education the expenditure from Government funds for 1929 was \$7,317,000 and that proposed for 1930 is \$7,994,000, which is an increase of \$677,000 above the current year. It appears to be a decrease of \$65,000 below the Budget, but that is caused by the transfer of \$94,600 that was in the Budget for the further operation of the nonreservation boarding school at Rapid City, S. Dak., and which, in accordance with the approval of the department, is in this bill transferred to the health item, and is to be operated as a sanatorium school where children having tuberculosis may receive treatment and also some education at the same time. I may say that is only in harmony with the policy for some time to provide those sanatorium schools for Indian children.

To-day there are 81,620 Indian children between the ages of 6 and 18 years, 76,491 of whom are eligible for school attendance. During the fiscal year 1928, 9,777 Indian pupils were enrolled in nonreservation boarding schools, 10,584 were enrolled in reservation boarding schools, 672 in tribal boarding schools, 4,141 in Government day schools, 7,547 in mission boarding schools, 74 in mission day schools, and 34,163 enrolled in the public schools of the various States where Indian reservations are located. There are 19 nonreservation boarding schools, 7 tribal boarding schools, 49 reservation boarding schools, and 129 day schools, or a total of 204 schools maintained by the Government for the education of Indian pupils. In addition there are 81 mission, private, or State schools maintained for the benefit of the Indians.

THE AMERICAN GOVERNMENT AND THE INDIAN

I have studied this Indian problem to the best of my ability ever since I have had the responsibility as a member of this committee. It was with a feeling of great reluctance that I accepted the chairmanship of the Interior bill when that bill was first organized after the adoption of the Budget system. Our late chairman and splendid leader, who was the beloved friend of every member of the committee, Mr. Madden, asked me to take that chairmanship, but I was reluctant to do so, because I realized my lack of familiarity with the problems of the West. However, having accepted it in response to his urging, I felt it my duty to study the problems involved, and I have taken every opportunity that the busy life of a Congressman permits to come in contact with those problems in the West, and, of course, have been unhampered by personal considerations or political considerations that might have obtained if the problems affected my district in any great degree.

I have been impressed by this fact, which I want to emphasize to the House, because every American has a right to have the truth told to him about his Government. Anyone who gives an American distorted facts or misinformation which causes that American to have less of confidence in his Government and less of admiration for its institutions than the facts justify and warrant does a very sorry thing. I want to emphasize to you that notwithstanding in the public press day by day there are stories carried about the treatment of the Indians by the American Government, and notwithstanding the fact that frequently some magazine, desiring to appeal, apparently, to those who are affected most by that which attacks and to those who are more interested in that which tears down than they are in that which seeks to build up, prints these stories and statements about the terrible treatment of the American Indian by this Government, that, as a matter of fact, in all the history of the world there has never been a government in any country that has sought to do as much or has been as generous with any aboriginal race as America has with the American Indian. There is no question about it.

If you will in our hearings read the statement of Assistant Commissioner Meritt as to what has been done for the Pueblos of New Mexico in the last few years, you will find that I am not making any overstatement. Mr. Meritt made that statement to those Pueblos, and if it were not true it would have been readily challenged, and another statement which Mr. Meritt made a few weeks ago to the Navajos of Arizona and New Mexico. Much has been said about the wrongs done to those peoples by the white men and by this Government, but if you will read those statements you will find a listing of the generous acts of this Government toward those Indians, and there are many others that might be mentioned. A statement appears in the hearings showing the things that have been accomplished in the interest of the Indians in the last seven or eight years, and that is a record of which any American may be proud.

The Indian population at the present time is 355,901, and the total value of Indian property, including lands, timber, oil, gas,

coal, and other mineral deposits, funds on deposit in the Treasury, and individual holdings of livestock and other property, is approximately \$1,648,075,274. The State of Oklahoma has the largest Indian population, which totals 119,335. Arizona, South Dakota, and New Mexico all have populations of more than 20,000 Indians. The following table shows the distribution of the Indian population of the United States.

Alabama	405
Arizona	46,901
Arkansas	106
California	18,912
Colorado	835
Connecticut	159
Delaware	37
District of Columbia	506
Florida	125
Georgia	3,865
Idaho	194
Illinois	125
Indiana	397
Iowa	1,541
Kansas	57
Kentucky	1,066
Louisiana	839
Maine	32
Maryland	555
Massachusetts	7,607
Michigan	15,310
Minnesota	1,496
Mississippi	171
Missouri	13,734
Montana	4,323
Nebraska	4,920
Nevada	28
New Hampshire	100
New Jersey	22,786
New Mexico	4,419
New York	12,309
North Carolina	10,390
North Dakota	151
Ohio	119,335
Oklahoma	6,731
Oregon	337
Pennsylvania	110
Rhode Island	304
South Carolina	23,124
South Dakota	56
Tennessee	2,109
Texas	1,574
Utah	24
Vermont	824
Virginia	13,573
Washington	7
West Virginia	11,427
Wisconsin	1,963
Wyoming	

The average American is interested in the Indian. He looks on him as a romantic figure. It appeals to his imagination and he likes to stand as a champion of the rights of that figure. As a matter of fact, the Indian in person is not always the romantic figure he appears to be when you are told about him in the magazines, on the lecture platform, or read about him in fiction. He is very much like the white man. He has very generally the same impulses and the same traits as the white man. With a population of 350,000 living in 20 or more scattered States under all sorts of differing conditions, some having tremendously large revenues, much larger than is good for them, and some of them poverty stricken; some of them who were originally agriculturists and irrigationists before the white man came on this continent; skilled in agriculture, some of them who were hunters and warriors in the old days—with all these diversities in their surroundings, in their tastes, in their training, in their financial conditions and their resources naturally nothing can be said as a generality that is true of all of them. They differ, of course, with their differing conditions.

THE AGITATOR AND THE INDIAN

It is unfortunate that the enthusiasm of the average American for the Indian is so often played upon by the agitator and the selfish man who wants to build a job for himself or the man who is just constitutionally so opposed to his Government that he can only be happy when he is picturing that Government as selfish, inefficient, and, perhaps, corrupt.

The Indian problem has been brought to the front in the last few years through several channels. In this propaganda and publicity, that has served to bring the problem prominently to public attention, there has been prominent one John Collier and his principal organization, the Indian Defense Society, which I have mentioned heretofore in this Chamber and do not need to emphasize further. Perhaps it may not be out of the way to emphasize to you that that organization played its part in the recent political campaign. With no desire to touch upon partisan subjects but to emphasize the extremes to which those who are as irresponsible and malignant as are Collier and those he controls—and in that I am not speaking of the

many well-meaning people who contribute to his organization, keep it afloat and give it an air of respectability, but I am speaking of Collier and those like him who live upon the organization and seek to destroy the work that is going on. For instance, a letter was sent to one of the presidential candidates which stated:

That the governmental bureau to which we have intrusted our guardianship is ignorantly or willfully annihilating its 250,000 wards through starvation enforced by the waste and misapplication of their income, through the creation of centers for the spread of disease, and through the denial of the health service that might serve, in some measure, to counteract the effects of the other activities.

Such a statement is an absurdity, a tissue of unreality and misrepresentation; but when it goes to the good people of the country carrying the signature of a professor of one of the great eastern universities they do not realize that in the letter such a professor is only handing on to the country that which he himself evidently knows nothing about but for which he accepts the word of John Collier, and that accuracy is entirely foreign to his nature.

Furthermore, another statement that was sent out in the campaign and illustrates the character of propaganda that is used to poison the judgment of the country toward their own Government is this from the National Council of American Indians:

According to an Indian's statement and from my own personal observations, the Indians are very poor and hungry. They have no voice in their affairs. They are neglected. Whether sick or well, whether young or old, most of them or nearly all of them live in bad houses, wearing rags, and with little or no food. Their complaints to Government officials go unheeded. Agents' offices are locked against the Indians most of the time.

And so forth, ad nauseam.

Another organization that spreads this propaganda but is not quite as smooth in covering all of its tracks is the Indian Board of Cooperation.

It will emphasize the extent to which not only are the well-meaning people of the East victimized and exploited by such organizations but the poor Indian himself is victimized and exploited by the very ones who claim to be the only virtuous friends that the Indian has.

For instance, in the last Congress there was passed a bill introduced by the gentleman from California, Mr. LEA, which he pressed here with a great deal of vigor and with final success.

The gentleman is on the floor and can correct me if I am in error in my statement that that bill became law in the last session of Congress, on the 18th day of May, 1928; and it became law because it had the approval of the Indian Office, it had the cordial and effective support of the gentleman from California, and there was a case back of it that commended it to Congress. But notwithstanding the fact that this bill became a law on the 18th day of May, 1928, and notwithstanding the fact that Frederick G. Collett, the executive representative, so called, of the Indian Board of Cooperation (Inc.)—notwithstanding he knew of it, on the 1st day of June, 1928, a circular letter was sent out to these Indians in California, these poverty-stricken and needy Indians, asking them to contribute money to this organization in order that they might secure the passage of a law that was already on the statute books.

These people parade themselves as the only friends of the Indians and are always condemning their Government.

Let me quote from this letter. I will put it all in the Record. I should say that it is signed, apparently, by J. W. Henderson, but following that is a small letter "c," as is customary by Mr. Collett when he signs the name of Mr. Henderson, the president of that organization. The letter says:

Having received many inquiries from all parts of the State with regard to the present standing of the Court of Claims bill, it seems desirable to send out a letter of general information.

They claim to be in a position to tell what the present standing of that bill is. Further the letter says:

You will see that no effort is being spared to gain the passage of the bill and you may reasonably hope it will become a law this year.

It had already become a law.

We know that you realize the value of gaining this legislation—

And so forth.

The work should not be delayed for lack of the comparatively small amount of money required for our operating expense. Every expense has been reduced to a minimum, but we are now considerably in arrears in our office rent and we must, of course, meet current expenses

The letter in full follows:

INDIAN BOARD OF COOPERATION (INC.),
San Francisco, Calif., June 1, 1928.

To auxiliary officers:

Having received many inquiries from all parts of the State with regard to the present standing of the Court of Claims bill it seems desirable to send out a letter of general information. We are addressing this letter to auxiliary officers and leaders, and would ask that you try to get your people together for a meeting at an early date so that you may give them the following report:

BILL PASSED BY HOUSE OF REPRESENTATIVES

The California Indians Court of Claims bill, known as H. R. 491, has passed the House of Representatives. Previous to its passage by the House, the bill had, of course, been favorably reported on by the House Committee on Indian Affairs. We quote herewith from statements made by Congressman CLARENCE F. LEA and Congressman ENGLEBRIGHT, sponsoring our bill, during the hearings before the House Committee on Indian Affairs:

CONGRESSMAN LEA

There has been an unquestionable failure to do what the simplest demands of humanity require for those Indians in California. The sum probable under this bill can be applied to their essential needs. * * * There is every reason to believe that with such aid as this bill will make possible * * * the Indian problem could be solved.

CONGRESSMAN ENGLEBRIGHT

* * * It is my belief that this matter should not be postponed further; that justice should be given to these unfortunate people and they should be compensated for their lands so as to place them in a position to take care of themselves and their descendants.

In the report of the hearings referred to above the provisions of the bill are set forth in detail, together with a statement of such offsets as will be recognized because of previous expenditures made for California Indians by the Federal Government. In our opinion, the bill has been very well framed. Every precaution has been taken to safeguard the interests of California Indians and at the same time to anticipate congressional policies on legislation involving Government expenditures. We consider the bill in the best shape that it has yet been and have every hope that this year will see its enactment into law.

The board is deeply appreciative of the splendid work which Congressman LEA has done for the bill. His message to the Committee on Indian Affairs shows his understanding of the problems of California Indians and his sincere interest in gaining relief for them.

The excellent work done in past years through the efforts of our executive representative, Mr. F. G. Collett, was of inestimable service in furthering the interests of the Indians this session.

You will see that no effort is being spared to gain the passage of the bill and that you may reasonably hope that it will become a law this year. We know that you realize the value of gaining this legislation; you should also realize that the completest cooperation of your people is necessary if we are to achieve this result. When you give them this message explain to them that we must concentrate all our efforts on the passage of this bill by the present Congress. The work should not be delayed for lack of the comparatively small amount of money required for our operating expense. Every expense has been reduced to a minimum, but we are now considerably in arrears on our office rent and we must, of course, meet current expenses.

We know that you will do your best to give your people a clear understanding of the present situation. Will you also tell them that the board stands ready at all times to answer any questions they may have and to give them the fullest information about the work, both as to the progress we are making toward gaining a settlement for them and as to the board's program and its expenditures of money received?

Very truly yours,

INDIAN BOARD OF COOPERATION,
By J. W. HENDERSON, President.

I have also a letter from an Indian of Usona, Mariposa County, Calif., who wrote in to know about this organization. He states:

These people are collecting money from the Indians on the pretext of bringing a suit to recover damages—

And so forth.

This letter was written after the bill had become a law. You will see that some Indians are getting pretty well up-to-date, because he states:

I wondered if it was the bunk and if they were afraid to keep on using the mail.

[Laughter.]

And he was entirely accurate, although "bunk" is a much politer term than ought to be used.

Mr. LEA. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. LEA. The gentleman has stated the facts in reference to the matter. As soon as I heard of this letter I protested against its publication and insisted that methods be pursued to inform these Indians that they had been misinformed through the letter, and I was advised subsequently that an effort had been made to overcome the misinformation that had been given by the letter, which was entirely unjustified.

Mr. CRAMTON. The man, Mr. Collett, was under indictment for using the mails to defraud. I have a letter here in which he says that that is not necessarily evidence of guilt; that many unconscionable people are likely to indict an innocent fellow like himself. I have not information as to whether the indictment is still pending or whether it has been dismissed. I sought to get that information to-day, but did not succeed, but understand the indictment is still pending. A new one might well have followed the above vicious attempt to get money from the Indians to secure passage of a bill already law.

Mr. LEAVITT. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. LEAVITT. I think it should be in the RECORD at this point that when the gentleman from California [Mr. LEA] had his bill before the Committee on Indian Affairs Mr. Collett and his organization had no influence whatever in the hearings, took no part in the passage of the bill, and it was passed entirely on its merits through the committee through the representations made of the facts by the gentleman from California [Mr. LEA] and in the same way was passed by the House.

Mr. LEA. In that connection I might state that the Indian Board of Cooperation was not represented at the hearings on this bill at the last session of Congress.

Mr. CRAMTON. But they were so busy at home raising money to put the bill through that they did not have time to come here.

Mr. LEA. They were not present at the hearings at the last Congress.

Mr. RANKIN. Will the gentleman yield?

Mr. CRAMTON. I will yield.

Mr. RANKIN. Is it not a fact that these Indians as well as the American people are being exploited by representatives of the Indian Bureau to a large extent?

Mr. CRAMTON. I would have to let that be the statement of the gentleman from Mississippi. I have no information of that kind, and my belief is quite to the contrary. Our committee has made every possible effort to check up and develop anything of that kind.

Mr. RANKIN. I will say that I have evidence, which has been put in the record, of such attempts of exploitation.

Mr. CRAMTON. Well, I would be glad if the gentleman would do that in his own time.

Mr. RANKIN. Will the gentleman permit another question with reference to the General Land Office?

Mr. CRAMTON. I would prefer to have that taken up when I reach that matter, if the gentleman will remind me when I reach that point in the bill.

These organizations are undesirable. But we have many worthy people in their membership, but those who get the salary and carry on the work I fear are not of this character.

There has been the past few months an investigation of the Indian affairs going on, and I came in contact with the work of that while I was in the West in August or September. I found in many cases people who did not have much to commend their responsibility, sometimes people with more responsibility, but in some cases representatives who did not have much to commend them, who were bearing credentials of a governmental character going upon the Indian reservation, spending three or four weeks there, without any contact with the superintendent of the agency, consorting with everyone who had a grievance, accumulating all sorts of complaints, trivial or otherwise, and then that sort of stuff being spread out nationally in committee hearings, gets in to the public press and goes uncontradicted because the hearing is only on one side, and is sensationally carried by the newspapers and magazines when really the truth in many cases is not developed. I know from personal observation that such doings have been destructive of the efforts of the Government in behalf of the Indians in many cases.

SOME VERY WORTHY ORGANIZATIONS

There is another kind of an organization—I want it understood that there are different kinds of organizations doing this work—there are other organizations that sincerely want to do something to help the Indians. Sometimes their enthusiasm or haste to come to a conclusion before they develop the facts leads them to erroneous conclusions, and puts them in a position that gives more credit to their enthusiasm and zeal than to their judgment.

COST OF FEEDING CHILDREN IN BOARDING SCHOOLS

I am frank to say that I would put in this other class the Indian Rights Association, which is a historic association, and its membership and officers are all of high character. They are about to hold a conference, and I have here before me a letter which they put out addressed to the Budget in connection with the pending bill in which they say, in speaking of the undesirable character of the care of the Indians by the Government:

For instance, at present, the Indian Bureau is expected to feed the thirty thousand and odd Indian children in Government boarding schools on an average allowance of 11 cents a day. Manifestly that can not be done, and if continued it will result in undermining the health of the children and become a national scandal.

That organization is not the author of that statement, though it ought to know better because of its own long contact with the field. They have accepted the statement put out by some one that has gone all over the Nation through the newspapers and magazines. The statement is not true that the average per diem food cost has been 11 cents. In the hearings, on page 662, you will see that is developed, and it is demonstrated in detail, that eliminating the salary and fuel, and so forth, and these are material items in the food cost, the average of food supplies alone is 20.4 cents and not 11 cents. The Indian Bureau statement shows:

Cost of food supplies purchased.....	\$362,892.51
Transportation of purchased supplies.....	33,094.56
Value of supplies produced and consumed.....	194,006.00
Total value of food supplies.....	589,993.07
Cost of fuel used for cooking, including transportation.....	31,177.65
Salaries of cooks and dining-room matrons.....	85,800.00
Total expense of feeding pupils.....	706,970.72
Average daily attendance of pupils at the 28 schools.....	10,680
Pupil days, based upon 270-day school year.....	2,881,600
Average cost per pupil per day (cents).....	24.7
Average cost per day of food supplies alone (cents).....	20.4

I do not feel justified in loading up the RECORD with the full itemized statement, but you will find it all in the hearings at about pages 661 and 662. That statement in detail shows that the amount per pupil per day is 24.7 cents.

There is talk also about Indian children starving in these schools. I have visited many of those schools, and I have always given particular attention to their menu and to the care of the children. I have never seen any evidence of the children suffering from lack of food or from an undesirable character of food. Quite the contrary. It is true that oftentimes children will be seen in those schools who give evidence of lack of proper nutrition, but you must remember where these children have come from, the primitive sort of homes that they have come from to the schools. Give them a while in the school, and that look of malnutrition passes away, and they are very much different looking children after a time.

SURVEY BY INSTITUTE FOR GOVERNMENTAL RESEARCH

I say that statement came from a reputable source. The publication that has probably had the most influence and that attracts the most attention is the report of the Institute for Governmental Research, a report made after an investigation upon the request of former Secretary of the Interior, Doctor Work. It was made by the Governmental Research Bureau, financed by private funds. A very extensive investigation was carried on, and the report is a sizeable volume. It has in it much that is helpful, and I think the general effect of the report will be helpful in challenging public attention. It is not always reliable, as witness the 11-cent story, which it originated. There are also these things to be considered in connection with the report in order to get a fair picture of the situation. As to anything that the Indian Service needs and as to anything that the Indians need to bring them up to a desirable plane, I think it must be in that report. I presume nothing has been omitted there that the Indians or that the bureau needs in order to serve them. To get a fair picture of the situation there should be considered in connection with it some record of what has been done for the Indians and what progress the Indian has made, what money has been expended by the Government in his behalf.

Also you should consider this. When you read of the great prevalence of tuberculosis or of trachoma and other diseases among them, it must be remembered that the Indian himself must bear a share of the responsibility for those conditions. Many years ago, and not long ago, many Indian tribes did not take readily to treatment by the white man's physician. To-day there are some places where they still rate the advice of their medicine man much higher than that of the skilled physician. That has to be overcome.

THE PRESENT HAS MUCH OF HOPE

In my judgment within the last few years a great change has come over the situation. There is much more of hopefulness in the situation as to the Indians than there ever has been before, and I look for the next 20 years to do more for the Indian than you can dream of, in the line of health, because the Indians are more and more making use of these facilities which we are providing, constantly in greater measure. Also, in the matter of education. In the old days the Indian boy when he went home from the Indian school woke up in the morning and put on the blanket, because his father and mother did not approve of his wearing the American clothes, and they stole the clothing and burned it and he had nothing but the blanket to put on; but that boy having grown up is more sympathetic with his boy who comes home from school now, and there are more other boys in the neighborhood who have been to school, and so the new education is taking on more and more among them. I give this to you not as my judgment, but as the judgment of those most in contact with the Indian, in whom I have great confidence.

Mr. COLTON. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. COLTON. Is it not also a fact that much of this so-called medical neglect of children is due to the parents themselves, who have withheld information from the proper authorities when their children were sick?

Mr. CRAMTON. Absolutely. I have mentioned health and also education. There is a third factor and that is with reference to their industrial condition. The Indians are showing a rapid increase of desire to improve their industrial situation. Time does not permit us to go into those things as much as I should like, but I believe that the Government, with reasonable effectiveness, not without mistakes, not without occasional wrongdoing on the part of a representative of the Government, not without the mistakes of judgment, but with reasonable effectiveness and with a wholly commendable generosity, is doing more for this primitive people than any other nation in the world ever did for its people.

THE BUDGET AND THE INDIAN

When it is suggested that not enough money is asked for by the Indian Service and not enough is appropriated by Congress, it is well to remember the situation in which the Indian Service finds itself and the situation confronting the Federal Government with such a multitude of demands upon the Treasury. The following extract from our hearings, sets forth this situation:

Mr. BURKE. We have been assailed repeatedly—and when I say “we” I mean the Indian Bureau—with not asking for sufficient money to meet the needs of the Indian Service. I want to say to this committee that the estimates as transmitted do not represent the amounts that we originally ask for; that our estimates, both last year and this year, have been very materially reduced by the Bureau of the Budget, and therefore, when they were presented here, they were not in accordance with what we asked for. I say this without any criticism of the action of the Budget, because it has its responsibility and is governed by the funds that are available for the administration of the different departments of the Government. Recognizing that situation, we accept the estimates without protest. I simply wanted to be on record as saying that the statement that we do not ask sufficient is not true.

Mr. CRAMTON. Mr. Commissioner, in connection with that, for the information of anyone who reads this statement, I think that this further section of the picture ought to appear.

When the estimates come before this committee the Indian Bureau, under the general policy of the President, is forbidden to ask for anything that has not been approved by the Budget. This committee, however, has made its own personal investigations, and it became satisfied a number of years ago that the medical service, the educational facilities, and the items for industrial assistance should be expanded more rapidly than were being expanded. So, whenever this committee has felt it desirable to do so, we have asked the Indian Bureau to give us information as to needs not fully covered by the Budget. That request being made by this committee, the bureau has a perfect right to give the information, and always has responded very fully. So, on numerous occasions, with the full indorsement of the Indian Bureau, this committee has recommended appropriations, particularly for those purposes, in excess of what was recommended by the Budget.

This committee, however, has responsibilities much wider than merely the Indian question. We have to do with all the problems of the Interior Department, and we are members of the General Committee on Appropriations, which has to do with the entire conduct of the Government of the United States in its financial aspects. That committee, in its enlarged membership and consolidated authority, following the adoption of the Budget, adopted a policy that was absolutely essential to the successful operation of the Budget system when it adopted the rule that while we would decrease items of the Budget wherever we felt it safe

to do so, and while we might also increase items here and there, as seemed to us desirable, we would not report a bill with a total higher than the total of that bill in the Budget.

The successful operation of the Budget system could only be secured by the cooperation of the executive and legislative branches, and that cooperation on the part of Congress was tied up with that rule that we would not, in the period of retrenchment, exceed the Budget totals. If we started in exceeding them, it was hard to tell where the end would be.

For the past eight years the welfare of the country has been pretty well tied up with the success of the Budget system, because a reduction of taxation by the Federal Government was imperative to our industrial recovery. That reduction of taxation could only come through the success of the Budget policy.

Therefore this committee is not always able to let its enthusiasm or its good judgment influence it to increase items, even where we think such increases may be justified. As a matter of fact, I am satisfied that the bill before us, in the items affecting the Indian Service and other branches of the Interior Department could very easily be increased \$5,000,000 or \$10,000,000 for purposes that would seem entirely justifiable to this committee. There are instances where the money would be used to excellent advantage. But if the same rule were followed as to all the branches of the Government service, the increase in the appropriations for this year could easily be \$1,000,000,000. It is not the belief of the Appropriations Committee or the administration that the country wants the expenditures of the Government increased \$1,000,000,000 with the consequent necessity of increased Federal taxation.

Therefore, we, in handling this bill, can not just look at the needs of one service alone, or of one branch of that service alone. We have to keep in mind the limitations as to the total, just as a man who has a salary of \$50 a week must plan his budget on a basis of not more than \$50 a week. And so, even though, as we go through this bill, there are certain items that we might like to see increased perhaps more than they will be increased, we must keep within certain limitations.

But it is only fair to the Government of the United States and its general treatment of the Indians to say that in my own judgment—and I think probably the judgment of this committee—while not as much money is given as you could use to good advantage in the Indian Service, there are no such serious results following from the failure to get those increases as the propagandists and the enthusiasts are apt to picture. Certainly no children are starving from the laxity of the Government in caring for them.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

REOPENING OF WHITE EARTH SCHOOL FOR CHIPPEWAS

Mr. KNUTSON. I was detained in a committee meeting this afternoon and was not in the Chamber when the gentleman opened his statement. Has the gentleman explained the necessity for reopening the school at White Earth, Minn., and what I consider a very large appropriation taken out of the tribal funds for that purpose?

Mr. CRAMTON. No; and I shall answer that question and in connection with it refer to a matter of policy that is actuating the committee with reference to the use of tribal funds. First, as to the White Earth School. That was a school built with Chippewa funds, a boarding school, with a number of buildings, as I recall, large enough to accommodate 200 or 250 pupils. I visited the school this summer. It was closed about 1918 or 1919, and closed very carelessly.

I do not criticize the policy that closed the schools as much as I do the carelessness shown in its closing, so far as the protection of property was concerned. They simply went out and left it and did not even remove the water from the plumbing, with the result that the water froze in the wintertime, and when it is reopened new plumbing must be placed all through it. It is, however, a collection of excellent brick buildings, placed on granite foundations, with high ceilings in the rooms, hardwood floors, a well-equipped group of buildings, with an excellent dairy farm and good dairy barns adjacent, with a hospital right at hand. The Indian Service, following a visit of Mr. Meritt to the institution, recommended its opening, and we have been glad to second that suggestion.

The CHAIRMAN. The gentleman from Michigan has consumed one hour.

Mr. CRAMTON. Mr. Chairman, I shall have to ask unanimous consent to be recognized for 20 minutes additional.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to proceed for 20 minutes additional. Is there objection?

There was no objection.

Mr. CRAMTON. Mr. Chairman, the Chippewa Indians are sending many of their children to nonreservation schools, schools off the reservations, to the Wahpeton school in North Dakota, and to others.

Some of them could just as well be taken care of in the reservation schools. Some of the Chippewa children, Chippewa orphans, and illegitimate children are not properly cared for in the reservation schools, and of course many of them go to the public schools. Now, there may be some division of sentiment as to this reopening on the part of the Chippewas. I think it is very easy to find a division of sentiment there on most any question, and it is probably natural it should be on this question, but I believe those who are away from the reservation and who have no children to send there would not be as interested as others, and the correspondence which appears in the hearings seems to be good evidence of the feeling of a great many of them. Clearly those removed from the locality, not having to do with the institutions for the benefit of the Indians and those who do have to do with it have different views. The money carried in the bill—\$40,000—is for repair and equipment and \$70,000 for the maintenance of the boarding school.

Mr. KNUTSON. The thing I wanted to bring out is we will assume there are 500 children—

Mr. CRAMTON. There will not be that many in this institution. It is my recollection there are about 240, but I am not sure.

Mr. KNUTSON. That would make nearly \$300 per capita.

Mr. CRAMTON. I am speaking without definite recollection.

Mr. KNUTSON. Does the gentleman think the children could be taken care of in another way at less expense than sending them to such a school?

Mr. CRAMTON. It has not been suggested as yet; I do not know.

Mr. KNUTSON. I think the gentleman's figures are probably correct. Has it been the gentleman's observation these children are developed much more rapidly if they are placed in white schools along with white children?

Mr. CRAMTON. The particular item can be taken up under the 5-minute rule, and I do not want to dwell too long on this item. It touches also a question of policy.

The committee agrees entirely with the department that where it is possible we should put Indian children in the public schools with white children. But when the condition is such that it does not lend itself to that, something else has to be done. Sometimes it is by having a day school exclusively for Indians in that vicinity and sometimes by having a boarding school on the reservation, and sometimes the Indians have homes not accessible to a school, the children must be sent away to some Government reservation school. But the best place when the conditions permit is a day school, public school, where they mix with the white children.

PROPER EXPENDITURE OF INDIAN MONIES

On the question of policy I might mention this: Where the Indians have accumulated a good deal of money from leases, from oil, and so forth, there is a problem of what to do with that money. This man, Collett, in his letter to the Indians in California has advised these people that while the bill passed by the gentleman from California [Mr. LEA], which provided that the judgment acquired under that bill should not be used in per capita payments but used in health and educational activities for the benefit of the Indians and Indian children, does not mean anything. He said in a circular of July 25, 1928, signed by Collett:

Section 6 of the bill was amended by the congressional committees to provide how the money, when won, should be spent, and to provide that the Indians shall not receive per capita payment. Although these amendments seem to bar the Indians from sharing, and sharing alike, in any amount that shall be won, it does not do so. By the time the court shall decide how much is due the Indian, there will be many changes among the Members of Congress. A new Secretary of the Interior has gone into office since this bill was passed. The time to work for a per capita payment is not now but after the court has made its decision. Then Congress will have to make an appropriation for the amount that the court has found due. How this money will be spent and to whom paid is a decision which will be made by Congress after the court's decision.

The Indians, through their efforts, should raise the money needed for attorney fees and for their general organization work. Please call a meeting for your auxiliary members for August 4 or 5, or as soon thereafter as possible, and read this bill and letter to them. Your auxiliary leaders should begin at once to collect membership dues. Expense money is greatly needed.

Collett, in July, asks money from these poor Indians for attorney fees, impliedly to prosecute their claims before the Court of Claims, although he knew that May 18 the jurisdictional bill became law and provided that the attorney general of California should handle the case.

He says after they get judgment they will get the per capita payment all right. The way for the agitator to make a friend of the Indians is to tell the Indians they are going to get immediate possession of their money and it will be distributed among them. If it is done, in two weeks they will have dissipated it and after recovering from his blow-out the Indian is back where he was. In regard to these Indians we are responsible for the proper expenditure of their money, and it is all foolishness to say we must expend it in accordance with their mood or whim.

Mr. LEA. Will the gentleman yield?

Mr. CRAMTON. I will.

Mr. LEA. I would like to place myself on record as agreeing with the gentleman with reference to the question of per capita payments to Indians in California. I think it is a waste of money. The money should be spent in a proper manner for their development instead of paying it out cash and having the Indians waste it.

Mr. CRAMTON. That is our responsibility, to try to figure out how best it can be used for their benefit, to their best advantage. It does not do them any good to let them waste it through per capita payments any more than it does to pile it up in the Treasury to their credit. It is desirable for us to study how to utilize that money for the best interests of the Indians in the years to come.

In one item in the bill we have reflected that view when we have given \$869,000 from their funds for use in industrial assistance, the item reading—

Industrial assistance: For the construction of homes for individual members of the tribes; the purchase for sale to them of seed, animals, machinery, tools, implements, building material, and other equipment and supplies; and for advances to old, disabled, or indigent Indians for their support, payable from tribal funds on deposit in the Treasury, reimbursable, to be expended in the discretion of the Secretary of the Interior, and to enable Indians to become self-supporting, as follows: Colorado River, Arizona, \$25,000; Fort Apache, Arizona, \$50,000; Southern Ute, Colorado, \$50,000; Ute Mountain, Colorado, \$50,000; Fort Hall, Idaho, \$50,000; Consolidated Chippewa, Minnesota, \$50,000; Red Lake, Minnesota, \$50,000; Flathead, Montana, \$50,000; Fort Peck, Montana, \$50,000; Pyramid Lake, Nevada, \$19,479.60; Jicarilla, New Mexico, \$50,000; Mescalero, New Mexico, \$25,000; Klamath, Oregon, \$50,000; Warm Springs, Oregon, \$25,000; Cheyenne River, South Dakota, \$50,000; Pine Ridge, South Dakota, \$50,000; Uintah, Utah, \$50,000; Colville, Washington, \$25,000; Menominee, Wisconsin, \$50,000; Shoshone, Wyoming, \$50,000; in all, \$869,479.60, to be immediately available: *Provided*, That the expenditures for the purposes above set forth shall be under conditions to be prescribed by the Secretary of the Interior for repayment to the United States on or before June 30, 1935, except in the case of loans on irrigable lands for permanent improvement of said lands, in which the period for repayment may run for not exceeding 20 years, in the discretion of the Secretary of the Interior.

We have for a long time made provision for advances from Government funds to individuals for the purchase of stock, tools, seed, and so forth, and they have made a splendid repayment. Of \$3,632,000 advanced, there has been repaid \$3,184,890. I do not know of any white outfit in this country that has a better record for repaying their loans to the Government than those Indians. This year we have extended that policy somewhat to make such advances from tribal funds when available to be advanced by the tribe to the individual Indians; and then, when it has done its work, to repay it to the tribe.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Certainly.

Mr. KNUTSON. This bill, I see, carries \$15,000 out of the Chippewa tribal funds for indigent Indians. In a conference had with the Commissioner and Assistant Commissioner the other day they expressed the opinion that they could use \$30,000 to good advantage. There are a number of indigent Indians up there, and it is my understanding that the per capita payment is a thing of the past. That is up to the gentleman's committee.

Mr. CRAMTON. I would not say that. We are opposed to per capita payments and have left out one item which had a per capita provision.

Mr. KNUTSON. If that is to be the future policy, to do away with the per capita payments, it seems to me we should make greater provision for the care of the Indians. This bill carries, as I say, only \$15,000 for the Chippewa. When that item is reached I am going to assume the responsibility of moving to make that \$30,000. Of course, the money may not all be expended.

Mr. CRAMTON. I am glad the gentleman mentioned that. I have visited the Menominee Indians recently. Some of the chief men are thoughtful men and they have urged that such a

thing be done. Under the policy of not dividing up their funds, when these men are old they will have no use of that fund, and so these Indians said that those old people are entitled to have some of that money—not as a charity, but as a sort of advance on their undivided share. The bill does carry an increase for that purpose, the money to be distributed not as a ration but as a sort of a pension to the indigent Indians who can use it to advantage.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Certainly.

Mr. WILLIAMSON. The gentleman said a moment ago that something like 85 per cent of these funds loaned to American Indians had been repaid. Have those repayments been made from their earnings in industry and farm operations or from individual funds credited to the Indians?

Mr. CRAMTON. My impression would be that very generally it was the result of their investments. The general idea brought out in our committee was that there had been a great increase in the flocks and herds in recent years and that they have made a notable advance.

SURVEYS OF PUBLIC LANDS

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. RANKIN. I notice one item as to public lands. The appropriation for 1929 for surveying public lands was \$750,000, and the estimate for 1930 is \$780,000, while the amount recommended in the bill is \$762,500. It seems to me that it is an unusual amount for just surveying public lands belonging to the United States in comparison with other items.

Mr. CRAMTON. I am sure the gentleman from Mississippi, if he will consult the hearings, will find a very full exposition of just what work is carried on under that and of the use that will be made of the money in years to come.

Mr. RANKIN. I have not had a chance to read the hearings, which I understand were largely taken during vacation.

Mr. CRAMTON. I think the hearings as to those items are as full as could be expected in any hearings, and I am sure the gentleman will be satisfied if he will consult them.

Mr. RANKIN. Here we are asked to appropriate three-quarters of a million dollars for the survey of public lands. Now, the salaries of the General Land Office amount of \$675,000, and the salaries in the solicitor's office amount to \$116,500, while the contingent expenses are \$118,000, and printing and binding \$256,500.

Mr. CRAMTON. I would rather the gentleman would just ask a question than make a speech.

Mr. RANKIN. Yes; and if the gentleman is going to give us information on this subject, I would like to get the information that is desired now.

Mr. CRAMTON. If the gentleman will ask me any specific question, I shall be glad to answer. In the progress of the bill under the 5-minute rule I shall be glad to answer any questions I can.

Mr. RANKIN. I was merely going to ask the gentleman as to these figures that I have quoted here. Those figures amount to something like \$850,000 for the General Land Office, and aside from that it seems that we expend \$750,000 for the survey of public lands, and the question is what all that money goes for?

Mr. CRAMTON. That is work in the field, which involves considerable expense. There are thousands and thousands of acres where it is demanded that we furnish surveys.

I am sorry I can not give the gentleman out of my head the exact figures as to how many acres were surveyed during the current year or how many remain to be surveyed, but it is a very large amount, and under the 5-minute rule I will have the figures at hand and can give the information.

Mr. FRENCH. If the gentleman will permit, this item ought to be considered more definitely under the 5-minute rule, but in the hearings, on page 99, it appears from a statement made by Governor Spry, Commissioner of the General Land Office, that—

The General Land Office has on hand approved requests for surveys and resurveys covering 739 townships (17,026,560 acres), which will cost approximately \$1,478,000.

Then that is divided up by States, and we are carrying here a rather sizable item because the demand is large.

Mr. RANKIN. Let me ask the gentleman from Idaho if he does not think that is about as much as this land is worth?

Mr. CRAMTON. Let me say this: I know that no bureau in the Government has made a more strenuous effort than has been made by Governor Spry in the Land Office to cut down the expenses of administration, and I do not know of any bureau that has been more successful in doing it. I can not say off-hand, but I think the overhead expense of that office has been decreased at least 20 per cent, and possibly more, in the last three or four years.

Mr. RANKIN. Of course, the gentleman understands this is not overhead expense.

Mr. CRAMTON. I was speaking of the other items. Of course, this is constructive work in the field. It used to be done under contract and now it is done by the Government itself. When it was done under contract it was done in such a slovenly fashion that now much of it has to be done over again, and I have never had any suggestion of any undue cost in the work of surveying, and I am sure any of these gentlemen from the West in touch with the public-land situation will agree it is a necessity that those lands be surveyed if we are to proceed with any development through mineral leases or otherwise.

Mr. COLTON. Will the gentleman yield for a statement?

Mr. CRAMTON. Yes.

Mr. COLTON. There can be no revenue derived from our public lands until they are surveyed, which means that if the work is to go forward at all this item has to be taken care of.

Mr. CRAMTON. It must be taken care of.

Mr. LEAVITT. I would like to add a brief observation along that line, that until these lands are surveyed they can not pass into private ownership, under the homestead or mineral laws, or in any other way, and can not be placed on the tax rolls of the western country until they are surveyed. So this work is greatly in the interest of the development of that country.

Mr. CRAMTON. I will be glad in that connection to insert a statement showing the revenue the Treasury is receiving from the public lands. I do not dare trust my recollection to give it offhand.

Mr. RANKIN. May I ask the gentleman from Michigan another question, and I will say to him that I shall be glad to have all possible information on this subject because the information given by the two gentlemen is hardly full enough. I see on page 33 of the report an item for the Alaskan Railroad, \$1,300,000. I want to know if that is the excess of the expenses of running the Alaskan Railroad over the revenues derived from it?

Mr. CRAMTON. That is the figure for the current year, as I recall, \$1,300,000, and for the next year the amount is \$1,200,000.

Mr. RANKIN. Yes.

Mr. CRAMTON. The amount carried for 1929 was \$1,300,000 and for 1930 the amount carried is \$1,200,000. That is the estimated operating deficit. That is a deficit which has been reduced gradually and still being reduced. The pending bill proposes a reduction of \$100,000 for next year as compared with this year in the operating deficit.

Under permission given to extend my remarks, I give the following comparison of annual expenditures of the General Land Office:

Annual expenditures for conduct of business of General Land Office, office and field, fiscal years 1922 to 1928, inclusive

Fiscal year ending June 30—	Total expenditures, office and field
1922.....	\$3,200,168.86
1923.....	2,985,715.95
1924.....	2,936,238.29
1925.....	2,909,095.35
1926.....	2,370,170.19
1927.....	2,284,020.33
1928.....	2,187,042.72

In 1928 there were 3,744,690 acres surveyed and 1,470,900 acres resurveyed.

As to this work, Governor Spry, Commissioner of the General Land Office, said in our hearings:

The cadastral survey of the General Land Office is a constituent factor in the material development of the public domain. Under it agricultural settlement, and private enterprise founded on the natural resources, enjoy not only the benefits of the orderly processes of acquisition and lease but the practical advantages of systematic location under "Physical boundaries on the ground."

Survey expansion and restoration are not administratively optional but are regulated largely, both as to location and extent, by congressional authorization and direction to meet the legitimate demands of settlers and claimants, the States, land-grant railroads, and of mineral development, timber use and protection, stock raising, and other interests. They are also undertaken to further the operation of the mineral leasing act approved February 25, 1920, to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium, and to serve as a contributory factor in the consummation of certain types of field projects executed in cooperation with other Federal agencies.

The General Land Office has on hand approved requests for surveys and resurveys covering 739 townships (17,026,560 acres), which will cost approximately \$1,478,000.

All of these surveys and resurveys can not, of course, be completed during the next or the following fiscal year, but the figures are given for the purpose of showing that the public lands, including those lands within the exterior boundaries of national forests, are being surveyed in response to demands for such service.

The wider uses made of the public lands to-day through settlement, by private enterprise under the mineral leasing act, and by the Government in scientific investigation and research work, call for cadastral surveys to meet the requirements of title, lease, location, and administration.

Original surveys and resurveys under the rectangular system were executed in 22 States and Alaska under 257 groups, 109 of which, in 20 States, were of resurveys. So much of this work as may still be gauged on a mileage basis aggregated 19,317 linear miles, surveyed at an average cost of \$20.87 per mile.

Miscellaneous surveys included 89 field investigations, largely of erroneous and fictitious survey conditions, in 16 States; investigation of the Cimarron base line, Oklahoma; the location of section boundaries for the State Highway Commission of Montana; and corrective surveys of faulty older surveys in Montana and New Mexico. Surveys to determine riparian conditions resulting from accretions and avulsions, to define swamp and overflow lands, and to return lands erroneously omitted at the time of the original survey, were made in New Mexico, Oregon, Louisiana, Wisconsin, Minnesota, and Arkansas. Also under this head surveys related to but not essentially a part of the rectangular system include 57 islands in Alaska, California, Idaho, Wyoming, Louisiana, Illinois, Mississippi, Wisconsin, Minnesota, and Florida; 7 town sites in Alaska including forest eliminations from the towns of Wrangell, Ketchikan, Cordova, and Juneau, as well as 16 lighthouse reservations, 16 isolated homesteads, 2 cemetery sites, and the Fort Liscum Military Reservation. This diversified class also embraces 14 mineral segregation surveys; special tract surveys in New Mexico, Wyoming, and Florida; field investigations along the east boundary of Rancho Santa Ana y Quien Sabe, Calif.; and surveys of the Ortiz Mine grant and Mora grant, New Mexico; Flag Island Military Reservation, Gulf of Mexico; and of St. Andrews Sound Military Reservation and Oyster Key, Fla. A gravel pit for the Santa Fe Railroad was surveyed, a town lot in Pensacola, Fla., was identified, and the position of Antelope Springs, Ariz., determined.

Original surveys of lands deemed valuable for oil were continued throughout the year in eastern and southeastern Utah, and initiated during June in western Wyoming, while the resurveys of oil-shale areas in western Colorado were steadily carried forward with a view to completing all authorized projects of this character at an early date.

Surveys and resurveys for and in cooperation with other governmental agencies are steadily increasing in volume and broadening in scope. Upon application by the Forest Service surveys were executed in all Western States and in Alaska, Florida, and Michigan. For the National Park Service surveys in and of a part of the boundaries of the Glacier National Park, Mont., and resurveys in the Rocky Mountain National Park, Colo., were continued, while the survey of boundaries of the Grand Canyon National Park, Ariz., was initiated. Surveys to identify coal-leasing units in Utah and resurveys for oil-leasing units along the east boundary of the Navajo Treaty Reservation, N. Mex., were made for the Bureau of Mines. Field investigations for the Federal Power Commission were carried on in California, and the rectangular net in the Great Salt Lake Basin, Utah, was extended in cooperation with the Geological Survey.

Surveys on Indian reservations were made under various appropriations. In Montana practically the entire field corps of that district was engaged during the latter part of the year on surveys on the Northern Cheyenne Reservation, payable under special act. In Arizona investigations in 14 townships covered by the San Carlos Irrigation project, which includes the Coolidge Dam, were paid for from the general appropriations, while the subsequent resurvey of these townships was executed under both Indian and regular appropriations, the division of cost being made on a basis of 68 per cent and 32 per cent, respectively. Surveys were also completed in Arizona of the boundaries of the Theodore Roosevelt Indian School and the Mojave Reservation. Other surveys on Indian lands include subdivisions, resurveys, allotments, and segregations on the Hoopa Valley Reservation, Calif.; Flathead Reservation, Mont.; San Felipe Pueblo, N. Mex.; Cheyenne River Reservation, S. Dak.; Kiowa, Comanche, and Apache Reservations, Okla.; Leech Lake Reservation, Minn.; the Pyramid Lake Reservation, Nev.; and extension surveys and resurveys involving riparian rights as a basis for court action on the Iowa and Winnebago Reservations, Nebr. Special surveys relating to Indian lands, but payable from the regular appropriation, were made on the east boundary of the Navajo Reservation, N. Mex.; south and west boundaries of the Shoshone Reservation, Wyo.; various Indian allotments within the Klamath National Forest, Calif., and three townships in Utah in which Indian allotment applications had been filed under the act of February 8, 1887. (24 Stat. 288.)

He sets forth in detail the proposed expenditures for 1930 which are along the same general lines. The item consists of the following:

Agricultural lands surveys	\$275,000
Mineral lands surveys	65,000
Cooperative surveys	35,000
Miscellaneous surveys	120,000
Resurveys	130,000
Office personnel and maintenance	155,000
Total	780,000
Total field	625,000
Total office	155,000
Total field and office	780,000

MEDICAL EXAMINATIONS UNDER BUREAU OF PENSIONS

I feel I must take the time to call attention to two or three matters which, in justice to the House, I think should be mentioned, and especially in view of the fact that the gentleman from Minnesota [Mr. KNUTSON], chairman of the Committee on Pensions, is present. Under the Pension Office there is an item for examining fees for surgeons.

The Budget proposed an estimate of \$450,000. In our examination of that we found that the physician receives a fee of \$3 for each examination, whether there is one or a great number of examinations in one day. There are three men on a board and if the full board meets and it has as many as 30 examinations a day, as they do in some of the larger cities, it runs into a lot of money. At the same time the Bureau of Pensions is very positive, and it is the view not only of the commissioner, as expressed to our committee, but the view of the other heads of the service, including the head of the medical investigation bureau, that the examination is not always as good an examination as it ought to be. While the board acts, one man is pretty likely, of course, to dominate the board and to make the examinations. It is quite a job although not particularly difficult. Here is one of the reports required and there is quite a bit of it.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent to proceed for 30 additional minutes.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to proceed for 30 additional minutes. Is there objection?

There was no objection.

Mr. CRAMTON. The American Medical Association and other medical organizations have a rule that the minimum fee for such an examination must be \$5, and that is their arrangement with the life-insurance societies, all of them paying \$5 for an examination by one physician. The result is that we are not always able to get for their examiners as good a physician as we ought to have, and when we do get a physician he is subject to some criticism by his fellows for working for less than the union scale, so that he does not always make as careful an examination as he would if he were getting what they consider the proper fee. So the committee has recommended this language, which I bring particularly to the attention of the House for its consideration:

That hereafter all necessary medical examinations of claimants or pensioners shall be made by one physician or surgeon duly appointed under the act of July 25, 1882, and duly designated for such examination by the Commissioner of Pensions, except when in the judgment of the said commissioner the examination should be made by more than one: *Provided further*, That the fee paid any physician making such examination, alone or otherwise, shall be \$5 for each examination, foreign or domestic.

Under the operation of this provision the old boards are continued. The commissioner will designate a certain member of that board to make a certain examination, or if he feels it desirable he can designate an examination by the full board. Naturally, he will designate the member of the board who resides most conveniently to the pensioner. These physicians are likely to be in different towns and perhaps meet for board meetings at the county seat, but instead of the pensioner having to go to the county seat as now, or instead of his having to wait until the pension board day, he will step into the doctor's office, perhaps in his own town, at his own convenience, and at the convenience of the doctor, and have his examination, a more thorough examination and report than before.

The statement of the Bureau of Pensions is that under the business done this year the saving financially to the Government, in addition to these benefits to the Government and to the pensioner, would have been \$177,113, even with the increase

of fee from \$3 to \$5. The committee has therefore recommended the adoption of this language, and by reason of that have been able to recommend a reduction of \$150,000 in the item.

Mr. KNUTSON. Will the gentleman permit a parliamentary inquiry? Is not that legislation?

Mr. CRAMTON. It is within the Holman rule.

Mr. KNUTSON. As a limitation on an appropriation?

Mr. CRAMTON. No; not as a limitation, but that which effects a saving on the face of the bill is in order.

I will say to the gentleman, frankly, in my judgment it is not subject to a point of order; but I think the committee would not want to press it if there should be any strong opposition to it on the part of the gentleman's committee.

Mr. KNUTSON. It would seem that is a matter that should have been considered by the Pension Committee.

Mr. CRAMTON. If it is a matter that the committee would feel strongly about or if there should be strong opposition to it, I think the committee would not be disposed to press it. Of course, our immediate responsibility is the reduction in the face of the bill, and this does make possible a reduction of \$150,000, and to be entirely frank, there were very few reductions that could be made in the bill and there were so many things where some more money could be used to advantage that it put a very strong pressure upon the committee to avail ourselves of a reduction where one could be made, especially when we felt assured that the service both to the Government and the pensioner would be improved thereby. I will be glad if the gentleman will give it his further consideration.

Mr. KNUTSON. I may say to the gentleman that where a saving of \$150,000 to the Government comes in conflict with the jurisdiction of another committee, we will waive the question of jurisdiction, I think.

Mr. CRAMTON. I really have had that judgment of the gentleman from Minnesota.

CONSTRUCTION ON NEW RECLAMATION PROJECTS

I must condense to the utmost, but I would not be fair to the House if I failed to call its attention to one or two matters in connection with the reclamation fund.

In the first place, we have cut out the proposed appropriations for the further construction of two reclamation projects, the Vale project in Oregon and the Kittitas division of the Yakima project in Washington. The total reduction is something over \$2,000,000.

This was done because of the showing that the Reclamation Service made before our committee. The conditions obtaining on these two projects as to probable land settlement, development and use of the projects after construction are so uncertain and unsatisfactory that we thought it best to have construction suspended until the situation might improve, and hope of improvement would come through two agencies: First, through a better cooperation on the part of the communities and the landowners affected thereby; and secondly, through the hope of some legislation by the Committee on Irrigation and Reclamation which might improve the situation.

As to one of these projects, the Kittitas division of the Yakima project, since the committee acted—in fact, this morning—our committee met with a representative of that project and a representative of the Northern Pacific Railroad that is greatly interested, and with the gentleman representing that district, Doctor SUMMERS, a further showing of facts was made; and the committee will very possibly have some amendments to offer for the consideration of the House when this item is reached.

As to the Vale, there is no further information presented, and that situation, so far as the committee view it, urgently demands the suspension of construction there until there is a better and more certain prospect of the necessary cooperation in putting that land in the hands of settlers at a reasonable price following the construction of the project.

There is a suggestion by the Commissioner of Reclamation that the situation there could best be worked out by purchase of the private lands by the Government and that that could be done at less than the appraised cost. In my judgment, if the Government should seek to buy those lands, the cost would at once go up. The situation as we now see it is very dubious for that project, and nothing further in the way of construction should follow until better conditions as to development prevail.

POWER REVENUES ON RECLAMATION PROJECTS

The committee has attempted in two or three cases to provide definitely with reference to the power revenues following in each case the facts of the particular situation, doing the fullest justice to the individual project and at the same time fully safeguarding the reclamation fund.

PURCHASE OF PRIVATE LANDS IN NATIONAL PARKS

There is an item that had consideration by the committee, and which we understood was and is now pending before the Budget Office, and we had been in hopes that a supplemental estimate would come to Congress in time for its inclusion in this bill. Much to our regret that estimate has not yet come, and hence the item is not in the bill. We still entertain the hope that a supplemental estimate for this purpose may come to Congress. In view of the consideration that our committee has given to it I feel that I should call it to the attention of the House, and I shall insert here the language the committee has had under consideration to put the House on notice that if a supplemental estimate does arrive before completion of the consideration of the bill I will offer a needed amendment. This item is an item of \$1,000,000 to be used, when matched by at least an equal amount of private funds, for the elimination of privately owned lands in the national parks.

There has been a survey of this situation made and just completed within the last two or three weeks, which indicates that the amount necessary to eliminate these private holdings will run to a rather large figure. The item considered by our committee reads as follows:

For the acquisition of privately owned lands and/or standing timber within the boundaries of existing national parks and national monuments by purchase, or by condemnation under the provisions of the act of August 1, 1888 (U. S. C. p. 1302, sec. 257), whenever in the opinion of the Secretary of the Interior acquisition by condemnation proceedings is necessary or advantageous to the Government, \$1,000,000, to be expended only when matched by equal amounts by donation from other sources for the same purpose, to be available until expended: *Provided*, That in addition to the amount herein appropriated the Secretary of the Interior may incur obligations and enter into contracts for additional acquisition of privately owned lands and/or standing timber in the existing national parks and national monuments not exceeding a total of \$2,000,000 as matching funds from outside sources are donated for the same purpose, and his action in so doing shall be considered contractual obligations of the Federal Government: *Provided further*, That the sum herein appropriated and the appropriations herein authorized shall be available to reimburse any future donor of privately owned lands and/or standing timber within the boundaries of any existing national park or national monument to the extent of one-half the actual purchase price thereof: *Provided further*, That as part consideration for the purchase of lands, the Secretary of the Interior may, in his discretion and upon such conditions as he deems proper, lease lands purchased to the grantors for periods, however, not to exceed the life of the particular grantor, and the matching of funds under the provisions hereof shall not be governed by any cash value placed upon such leases: *Provided further*, That appropriations heretofore and herein made and authorized for the purchase of privately owned lands and/or standing timber in the national parks and national monuments shall be available for the payment in full of expenses incident to the purchase of said lands and/or standing timber.

The situation is especially acute in the Yosemite National Park. Some of that is heavily timbered, and the timber is about to be cut off where it is privately owned. About a million and a half dollars will be required for that. A contribution from one source of a million dollars has been offered as a private fund to match an equal amount to be appropriated by the Federal Government for that purpose. The situation is so acute in the Yosemite that this generous offer by the private individual should be accepted and matched by a Government fund.

The elimination of privately owned land is important for two reasons. In the first place, when privately owned there is a possible development out of harmony entirely with the public use and enjoyment of the park, and, secondly, we can not carry on and develop it as we desire with the land that we do not own.

Mr. BLANTON. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BLANTON. How far is this policy going to extend of buying property within the Government-owned forests?

Mr. CRAMTON. This is not as to forests; it is as to national parks.

Mr. BLANTON. Do you expect to buy all the privately owned land within the national parks?

Mr. CRAMTON. My view is that it is imperative that we buy as fast as possible privately owned lands in every national park or monument.

Mr. BLANTON. Has the gentleman from Michigan in mind the amount that will be required?

Mr. CRAMTON. Yes; there has been a survey made and it will be between five and six million dollars.

Mr. BLANTON. Then why take five bites at a cherry?

If it is necessary to do this, why not do it all at once? Why appropriate a million now, a million next year, and a million at some other time; if it is a good thing, and that is the governmental policy, why not buy all of it at one time?

Mr. CRAMTON. That is a reasonable question and I am glad to give my view of it. It is a matter I have had in mind for four or five years.

Mr. BLANTON. One other question.

Mr. CRAMTON. I have not answered the gentleman's first question yet. One million dollars has been offered from private sources, and this appropriation is based on the matching of the contribution of these private individuals. Our committee inaugurated the policy two years ago by putting in an item of \$50,000, not approved by the Budget, for this general purpose when matched by private funds. The Budget accepted that idea and in the 1929 bill estimated the second \$50,000.

A survey resulted and that report is in our hands. One million dollars has been offered, particularly for the Yosemite situation. To acquire all of these lands will take some time—we do not know how much. There will be negotiations, there may be condemnation suits; and so it is not believed that even if the money is in hand it could all be spent in less than two or three years.

We have been offered this million dollars of private funds, and we believe that when the Government manifests a policy that is proposed in the language I have in mind, providing for the authorization of the purchase of the balance, we will have assurance of the full amounts of private funds needed.

Mr. BLANTON. The gentleman knows that if we put it off the privately owned land will increase in value. The gentleman will remember when this policy was first inaugurated, when the million-dollar mountain-top amendment was adopted in the House, and the worthless mountain tops were put off on the Government for \$1,000,000.

Mr. CRAMTON. I do not remember the Mountaintop case. One reason why I was desirous of having the Government expenditure hooked up with the contribution from private funds was that these contributions will undoubtedly come from business men of the greatest good judgment and experience, and we would feel sure that their investigation as to the price and cost, and so forth, would be thorough and we could be satisfied to put our money up to match theirs.

QUARTERS FOR OFFICIALS AND EMPLOYEES AT ST. ELIZABETHS

Mr. BLANTON. Mr. Chairman, will the gentleman yield for another question?

Mr. CRAMTON. Yes.

Mr. BLANTON. Inasmuch as the gentleman has very liberal time—

Mr. CRAMTON. But I am afraid that I am outstaying my welcome.

Mr. BLANTON. I notice that the gentleman and his committee have put quite a number of items of legislation in this bill.

Mr. CRAMTON. Not so many of legislation.

Mr. BLANTON. A good many of them.

Mr. CRAMTON. The gentleman will recognize some of those listed are limitations.

Mr. BLANTON. But there are some legislative items. For instance, I will name one. The gentleman in the last session helped to pass the Welch bill, which it is claimed permits the already too large salary of Doctor White, of the St. Elizabeths Insane Asylum, to be raised from \$7,500 to \$9,000. The Comptroller General has held, however, that the \$11,000 extra which the director was getting for his quarters—

Mr. CRAMTON. Oh, will the gentleman please condense his question? I am familiar with that matter.

Mr. BLANTON. It can not be condensed, because it embraces quarters and lights and coal and gas and food and servants, and everything, for him. The gentleman is seeking in this bill to make that the law.

Mr. CRAMTON. Yes.

Mr. BLANTON. So that Doctor White shall get not only his \$9,000 under the Welch bill but shall get extra this \$11,000 allowance each year.

Mr. CRAMTON. And if the item does not stay in the bill as we have proposed it, then those who are charged with the responsibility of administering the insane asylum, and who are required by the nature of their duties to be there 24 hours a day, to live there—and I refer not only to the superintendent but to 50 or 100 others—and if the opinion of the Comptroller General, which I do not understand to be final—

Mr. BLANTON. Oh, yes; it is final, for I have talked with him personally about it.

Mr. CRAMTON. I repeat my statement, notwithstanding. If the opinion of the Comptroller General, which I do not

understand to be final but has been suggested, is made final, the result will be that Doctor White will get \$9,000 a year salary and be charged \$11,000 a year for living in quarters where he and his family must come in daily contact in the corridors with the insane. I do not believe that even Doctor White, even though everything that the gentleman from Texas thinks about Doctor White were true, ought to work for nothing and be charged \$2,000 a year for the privilege of administering one of the greatest insane asylums of the country.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Just for a question.

Mr. BLANTON. This item is going out of the bill because it is legislation, and I intend to make the point of order against it when it is reached.

Mr. CRAMTON. Oh, I hope the gentleman will not.

Mr. BLANTON. And as to the other chiefs of the Government whose salaries have been raised by the Welch bill from \$7,500 a year to \$9,000 a year, does the gentleman expect to give them each \$11,000 a year for maintenance?

Mr. CRAMTON. Doctor White's salary and his quarters are not connected questions. He is required to live where he does by the nature of his duties, and when the gentleman from Texas makes this point of order that item will go out and the gentleman from Texas will take the responsibility and I am acquitted of it.

Mr. BLANTON. Oh, I am going to take the responsibility for it.

Mr. CRAMTON. Very well, but I ask the gentleman not to brag about it so much, because I do not think it is worth it. So far as this increase of salary is concerned, I want to answer the gentleman's question fairly and squarely. I think the gentleman was not here last week, much to our regret, but the matter of those salary increases has heretofore been brought up. Our committee feels that those salary increases that were brought about under the ruling of the Comptroller General, should not have been granted in such wholesale fashion.

Mr. BLANTON. And what is the committee going to do about it?

Mr. CRAMTON. The full committee has that matter under consideration, and any action to be taken by the full committee will come probably in a deficiency appropriation bill, where it would be equally applicable to all of the departments, and not to one alone.

Mr. BLANTON. Then the gentleman does have in mind some proper legislative enactment that would stop this sort of thing?

Mr. CRAMTON. I have not that responsibility. I say the committee has it under consideration, and any action that is taken—

Mr. BLANTON. I think it was an infamous outrage upon the people.

Mr. CRAMTON. Oh, do not put too strong language into the middle of my speech.

Mr. BLANTON. I refer to the wrongful construction of the Welch Act which would permit all of those chiefs' salaries to be raised from \$7,500 to \$9,000.

Mr. CRAMTON. Whatever action is taken must come in a general bill affecting all departments.

Mr. BLANTON. The gentleman knows that that was never contemplated by the Congress when the bill was passed.

Mr. CRAMTON. In my judgment it was not contemplated, but I do not adopt any of the gentleman's language.

Mr. BLANTON. No; but it was an outrage, was it not?

Mr. CRAMTON. I have just one more thing here and then I shall have finished.

ACQUIRING PARK LANDS

Mr. MORTON D. HULL. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. MORTON D. HULL. Reverting back to the lands to be acquired, the gentleman said somebody was offering a million dollars. Is the name of the donor public?

Mr. CRAMTON. I am not in a position to give it out.

Mr. KNUTSON. What steps are being taken to save the Sequoia Forests?

Mr. CRAMTON. Does the gentleman mean the redwoods of California, outside of the park?

Mr. KNUTSON. Yes.

Mr. CRAMTON. The gentleman might have in mind the timber in the Yosemite. It is not Sequoia, but it is beautiful timber greatly needed for the park. That, of course, is involved in this million for the Yosemite. There are other holdings in California that I am not entirely familiar with. I think they call them the redwoods. They are outside of any park area.

Mr. KNUTSON. Has the committee had that up at all?

Mr. CRAMTON. It is not before us in any way, of course, as they are not in a park.

DEPARTMENTAL COOPERATION

I have taken more time than I had intended, but I am not entirely responsible for that. In the course of the study of this bill one need became apparent to our committee, and that was the need of a greater cooperation between the different agencies of the Government. We ought not to have to set up in each department an organization to do the same thing. If the Department of Agriculture is carrying on certain studies of land and certain work in connection with the teaching of the best methods of agriculture we ought not to have to set up in the Interior Department the same kind of an organization.

I have a statement here from Doctor Meade which says when they are trying to develop reclamation projects and they call on the Department of Agriculture for information which that department has they are likely to be told they will have to wait until the information is published and printed, so that they can read it as the general public would and do not get the extracts they ought to have. The Indian Service are gentle in what they state, rather careful in their criticism of their friends in the other departments, but it is my judgment also they do not get the cooperation from the Department of Agriculture that they should with reference to teaching agricultural methods to the Indians. It all comes from the same Treasury, and they ought to be as willing to use the money Congress gives them to teach agriculture to the wards of the Nation as to teach them to your constituents and mine. Furthermore, thought has been given with reference to the work of the Geological Survey. That survey is carrying on, among other features, a topographic map of the United States.

It is contemplated it will be finished in 30 years, but it can not be done in that time. We are carrying that on under cooperation of State and Federal funds, half and half. Forty-seven per cent has now been done and 53 per cent is to be done. It is urgently needed. It is the foundation, carried on by Federal, State, and municipalities, and it ought to move as rapidly as possible. The work is a much needed work, and still, when Dr. George Otis Smith asked the War Department, with all their many planes, when he asked them to use some of their planes to make some air maps much needed they made all kinds of excuses. When he asked them to make aerial photographs the War Department said they would not make them for them unless they would first find, after advertising, that they could get it done by a private concern as cheaply as they can do it, and then the Comptroller General said you can not advertise for private bids, because you have no authority to ask for them under the law. So they were up against it. It illustrates the kind of legislation we have to put in the bill where it ties right into the expenditure in such a way it makes it imperative and directly related to it. We have this provision:

During the fiscal years 1929 and 1930, upon the request of the Secretary of the Interior, the Secretary of War or the Secretary of the Navy is authorized to furnish aerial photographs required for topographic mapping projects, in so far as the furnishing of such photographs will be economical to the Federal Government and does not conflict with military or naval operations or the other parts of the regular training program of the Army and Navy flying services, and the Secretary of the Interior is authorized to reimburse the War or Navy Department for the cost of making the photographs, and the Department of the Interior is authorized to furnish copies to any State, county, or municipal agency cooperating with the Federal Government in the mapping project for which the photographs were taken. In the event that the War or Navy Department is unable to furnish such photographs in time to meet the needs for which they are requested, the Geological Survey is authorized to contract with civilian aerial photographic concerns for the furnishing of such photographs.

It is a question whether the War Department will have excuses to prevent them from doing the work. These things are not so easy to force, but Congress owes it to the country to require these various departments to work in harmony and work efficiently, and that always means close cooperation of the various departments.

HOWARD UNIVERSITY

This bill carries an increase in the item for salaries at Howard University. That money, we are assured, is not to be used for salary increases but for greatly needed additional personnel.

It will interest the House to know that after many years, with annual points of order in the House against these items for this great national university for the colored race, a law is about to be placed on our statute books that will authorize such appropriations. That legislation was suggested by me several

years ago and was drafted by me and first introduced by me in the House in December, 1924, in the following language:

A bill to amend section 8 of an act entitled "An act to incorporate the Howard University in the District of Columbia," approved March 2, 1867

Be it enacted, etc., That section 8 of an act entitled "An act to incorporate the Howard University in the District of Columbia," approved March 2, 1867, be amended to read as follows:

"SEC. 8. Annual appropriations are hereby authorized to aid in the construction, development, improvement, and maintenance of the university, no part of which shall be used for religious instruction. The university shall at all times be open to inspection by the Bureau of Education and shall be inspected by the said bureau at least once each year. An annual report making a full exhibit of the affairs of the university shall be presented to Congress each year in the report of the Bureau of Education."

A bill in that identical language, as first suggested by me in 1924, passed the House in the last session and yesterday was passed by the Senate and has gone to the President. I trust it will soon become law. That will make possible a more definite and orderly consideration of the needs of that growing institution. I feel that the contributions by the Federal Government should be on a well-thought-out plan of permanent physical improvements.

Mr. WAINWRIGHT. Will the gentleman yield for a brief question?

Mr. CRAMTON. I will.

Mr. WAINWRIGHT. Does not the gentleman's remark in regard to the lack of cooperation rather suggest the plan sometimes to the gentleman that we might have a coordinator in reference to the various activities which the gentleman has indicated?

Mr. CRAMTON. Well, he would have a busy job to do this. It is not a situation that can always be remedied, a situation where everything required can be obtained. I think possibly a strongly expressed sentiment on the part of Congress would be very helpful. It seems to me it is a very short-sighted policy on the part of the Army or the Department of Agriculture or any other department to fail to take advantage of any opportunity to render a useful service to another branch of the Government that would result in the saving of money.

Mr. WAINWRIGHT. Of course, that occurred to me with a very much broader significance than the situation existing merely between two departments. There must be many other cases where the activities and functions of the different departments should coordinate more than they do to-day.

Mr. CRAMTON. I would not want it to be thought that any of the matters I referred to are impossible. I think great things have been done by the Budget Office. Their interdepartmental conferences accomplish many good things.

Mr. WAINWRIGHT. I am speaking now in regard to the functions of the various departments.

Mr. CRAMTON. Personally, I may say that while it is not on this bill, I think we could well have only one department of national defense.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield there?

Mr. CRAMTON. Yes.

Mr. KNUTSON. One department wants an aeronautical conference called. Did it ever occur to you to call the Chief of Aeronautics of the War Department before the committee and inform him that we have had only a certain amount of money to spend for aviation, and ask him if he could contrive to cooperate with the Geological Survey in making aerial surveys, because that would have to come out of the War Department appropriation?

Mr. CRAMTON. My inquiry was directed as far as it was reasonable to go.

Mr. LEAVITT. Some progress has been made through the activities of officials of the Bureau of Efficiency.

Mr. O'CONNOR of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. O'CONNOR of Louisiana. There is a widespread impression among Members and Federal employees that the Committee on Appropriations is engaged in trying to work out something that is expected to be a cure to the Welch bill in so far as it has failed to provide for the underpaid and poorly paid employees.

Mr. CRAMTON. Yes. I have spoken of that. Whatever action is taken on that will be brought in by the chairman of our committee, the gentleman from Kansas [Mr. ANTHONY], and will reach all the departments.

Mr. O'CONNOR of Louisiana. This proviso, on page 2 of this bill, has nothing to do with that? I mean the proviso which is

apparently a limitation with regard to the payment of salaries and which I think was carried in all of the appropriation bills last year in the same phraseology.

Mr. CRAMTON. No; it has nothing to do with that.

The CHAIRMAN. The gentleman from Michigan has consumed 1 hour and 50 minutes.

Mr. TAYLOR of Colorado. Mr. Chairman, I am not going to discuss the bill at this time. But as a member of this committee from the West it seems to me appropriate to say that the entire West should and does have a very great appreciation of the exhaustive and painstaking investigation, the conscientious self-denial, diligence, and industrious hard work that the chairman of this subcommittee has devoted to this bill.

As you all know, the Interior Department appropriation bill is a western measure. It is a bill that pertains very little to either the East or North or South. The constituents of the gentleman from Michigan or his State have little concern about the thousands of items carried in this bill or the nearly \$300,000,000 that it appropriates. But this bill is of tremendous importance to the welfare and development of all the arid mountainous West, and when a man from the northern middle part of this country gives many years of his life, including his vacations, to an earnest research and study of the conditions of the over 200 Indian tribes and schools and reservations, and about 20 national parks and about 30 irrigation reclamation projects, many national monuments, public-land matters and Government surveys, and many other western activities and masters all those thousands of details, and presents them to the House as intelligently and clearly as he does every year, he is not only rendering a great service to the West but also to the entire country generally. I feel that he is entitled at least to an expression of appreciation from the western Members of this House, and I am very glad to utter it on their behalf. [Applause.]

I yield 15 minutes to the gentleman from Minnesota [Mr. KVALE].

The CHAIRMAN. The gentleman from Minnesota [Mr. KVALE] is recognized for 15 minutes.

Mr. KVALE. Mr. Chairman and gentlemen, undoubtedly a great many people in the United States were disappointed when the news dispatches conveyed the intelligence that our Quaker President elect had selected a military officer to be chairman of the inaugural committee. And far greater and keener was the disappointment when, this morning, we read that in a cablegram from the President elect outlining his desires, the program carried out for Calvin Coolidge's inaugural four years ago is to be used as a model by Col. U. S. Grant, 3d. Hoover, Doctor Work announces, informed him that he desired an inaugural modeled after his program carried out in the inauguration four years ago of Calvin Coolidge.

In May of this year, I spoke briefly on the coming inauguration parade. I do not wish to repeat in toto what I said on that occasion. But in view of what has transpired the last few days, and because of the news items carried in the papers this morning regarding the plans for the next inaugural, I deem it fitting and proper to renew my protest and my appeal of last spring. Instead of referring you to what I said at that time, I am taking the liberty of repeating portions of it here, in order, if possible, to bring the subject more forcibly to the attention of the inaugural committee, which is holding its first meeting this very afternoon.

Those of you who witnessed the inauguration parade in 1925, will agree with me that it might well have been a war parade back in 1914 under Kaiser Wilhelm or the French militarists instead of a parade celebrating the inauguration of a President of a nation whose citizens are supposed to be devoted to peace and peaceful pursuits.

I said at the time, and I say it again, that I grew sick at the sight of all those war paraphernalia. There were two troops of Cavalry as escort to the President, the Twelfth Infantry Regiment, an Engineer band, a battalion of Engineers, the Fifty-sixth Regiment Air Service, the Third Cavalry Band, the First Battalion of the Sixteenth Field Artillery, the Sixth Field Artillery Band, Tank Corps personnel with 48 tanks.

The marine and naval contingent comprised a regiment of naval men from Hampton Roads naval base, the Navy Band, the Fifth Regiment of marines from Quantico, Va., the Marine Band, a detachment of troops from Marine Barracks and the navy yard in the District of Columbia.

The whole parade seemed nothing but a display of uniforms, guns, machine guns, caissons, tanks, and all the accessories of war.

And worst of all, there were 48 rumbling, trundling tanks. Not one, mind you, but 48 of them. If guns and swords, bayonets, machine guns, tanks, and all the man-killing and man-maiming instruments of modern warfare are to be exhibited to

the gaze of a patriotic throng in attendance at the inauguration of their Chief Executive, why not complete the picture and satisfy the morbid, bloodthirsty beings hungry for such a spectacle by exhibiting as a part of the parade a few more of the instruments used in times past for taking human life?

In other words, if the inauguration of a President of the United States in a time of peace—at a time when the clamor of the whole civilized world is for the ending and the outlawry of war, when the multilateral treaty, the so-called Kellogg treaty, in my estimation more rightfully designated the Borah treaty, for the outlawry of war, has been signed by the governments of nearly all the civilized nations of the world, just now when the Pan American Conference on Arbitration and Conciliation is holding its meeting in our Capital—if the inauguration features planned by the committee in session these days are to be overshadowed by a parade glorifying the wholesale murder and slaughter called war, why not make it complete, why not show it up in all its barbaric, satanic bestiality and gruesomeness?

Let some one impersonate Socrates drinking the hemlock.

Give us an arena with real lions, and animals dressed in the clothes of human beings torn to pieces by them.

Erect a replica of the Roman instrument of torture and killing, and have some soldiers nailing a human form to the cross and hoisting it in the air.

Let forms representing human bodies be dragged at the end of triumphant chariots.

Let there be a Procrustean bed and something representing a living human being stretched to conform to the size of the bed or have its limbs sawed off for the same purpose.

The picture would be decidedly incomplete without a human torch in effigy. There must be a burning at the stake.

Of course, the gallows must have a place in the procession. The trapdoor and all, with something representing a human form dangling in the noose.

Naturally we must have a float showing some one being roasted alive over a real fire.

And by all means let us have the modern version of that hellish torture, the electric chair, in which we roast and toast people alive in our would-be Christian civilization.

Also, there must be a platform 12 feet square with a guillotine and a human head rolling into the basket.

But the real features are neglected in the modern warfare exhibit. Let us have it in all its hideousness. We see the rifles, machine guns, artillery, and tanks; why have the barbed wire, the shattering grenades, the poison gases, the flame throwers, the trench daggers with metal knuckles, the numerous other death and torture dealing weapons and instruments been omitted from the spectacle? Give us a large float with a miniature city populated by mice and guinea pigs, so that we may have a hint of what lethal gas can do and will do in the next war. Let us see war in its hideousness, with the wire, trenches, lice and vermin, reek and stench, disfigurement and gore, instantaneous death, lingering death, even living death.

In short, if the parade at the inaugural ceremonies is to portray war instead of peace, let it not be simply glorification of war by giving us a picture of beautiful uniforms, gleaming ornaments, shining weapons giving off the sunlight's glint, prancing steeds with sleek coats and polished hoofs, medals and insignia, salutes, and martial music. Let us have a true picture, an honest portrayal of man's inhumanity to man, in the hundred different ways of torturing and killing our fellow humans.

I have cited but a few examples. I might insert a list of more than 2,000 instruments of torture and killing employed by punitive groups from antiquity down to the present time. The vast majority of them, and the most inhuman among them all, the most devilishly devised, have had their origin in a so-called Christian civilization. And there are devices and instruments, methods, and plans now being perfected which challenge our very imagination and our conception of wholesale death, which, if ever used, will make the World War shambles dwindle into insignificance.

In the name of decency, in the name of humanity, in the name of every Christian in this Nation, in the very name of the Prince of Peace, I solemnly protest against making our festive events and ceremonies—and especially the inauguration of our Presidents—the occasions for glorifying war and the taking of human life. If we want the world to believe us even half civilized, let the instruments of killing, of wholesale murder and slaughter be banished forever from our public parades.

O Mr. Chairman, I am not protesting against any and all participation in such ceremonies and parades by representative groups and detachments from each arm of our national defense. Certainly our well-drilled, well-equipped, well-disciplined troops are to us as citizens a matter of pride; we recognize their proper place in our scheme of government, and any parade might well

be considered incomplete without their rhythmic, swinging march.

And certainly those aged heroes of the more distant wars, who constituted the President's guard of honor, belonged in the position of honor which they were accorded in conformity with the President's wish. But, mind you, they did not exhibit the weapons and instruments they used in their war to inflict death and torture.

Nor do I protest against the military and naval bands which participated in the cavalcade. Our Army, Marine, and Navy Bands are admittedly in the forefront of such musical organizations, and their stirring strains of marches and national airs could not well be dispensed with. My protest is not directed against the participation in the parade of the men of our Army, our Navy, and the marines. My protest is against the gruesome spectacle of war and the glorifying of war being paraded before the eyes of the Nation instead of utilizing such an impressive and colorful spectacle in the interests of peace.

Had I the time I could easily point out a hundred different ways in which the parade could exemplify the pursuits of peace instead of war; in which it could be representative of all the departments in the Chief Executive's branch of our Government, instead of a War Department field day. It should not be necessary. Visualize a parade showing the marvelous advance and progress in science, in art and invention, in all fields of endeavor which make for progress in human liberty, mercy, and brotherhood. What limitless, endless opportunities for showing not instruments for the taking of human life, typical of the inhuman cruelty and hatred and revenge that finds its expression in the ghastly horror of modern war, but devices for conserving and prolonging human life; enhancing and furthering the pursuits of peace and the spirit of brotherly love between man and man.

If President-elect Herbert Hoover, the first Quaker to be elected President of the United States, sanctions the carrying out of plans for an inauguration parade as disgraceful as the one we witnessed in 1925, then I submit that the proper thing for him to do will be to send to his Quaker church a letter of withdrawal.

I here and now appeal to him, I adjure him—I believe I do so in the name of liberty-loving, peace-loving Christian men and women in the Nation—I appeal to him to make his inaugural parade not a messenger of war but a message of peace; so to arrange and order it that it shall conform to the views and opinions of the Christian civilization which he is chosen to represent and yet shall give fullest expression to the citizens who set aside that day in which to pay their respects and to honor their new President. [Applause.]

The CHAIRMAN. Does the gentleman from Minnesota yield back the balance of his time?

Mr. KVALE. Yes; I yield it back.

The CHAIRMAN. The gentleman from Minnesota yields back one minute.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. BLANTON].

The CHAIRMAN. The gentleman from Texas is recognized for 30 minutes.

Mr. BLANTON. Mr. Chairman and gentlemen of the committee, in the last Congress there was a bill passed known as the Welch bill, the design of which was to give a living wage to the small wage earners of this Government, the ones who had not been taken care of in previous legislation.

There were numbers of employees who worked for the Government for less than a thousand dollars a year. There were many of them with wives and children to support. They were unable to furnish them with the proper necessities of life. That situation appealed to Congress. The committee having the matter in charge had hearings, the purpose of which was to remedy that condition, and a bill was passed designed to meet the situation.

But after Congress adjourned "the powers that be" here in Washington, in construing that bill, wrongfully construed it to mean that the higher positions could take all the money, all of the increases, and instead of any relief being granted to these poorly paid employees most of the money was exhausted in raising the already too high salaries of bureau chiefs.

Mr. O'CONNELL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. O'CONNELL. While the gentleman from Texas was absent the distinguished gentleman from Indiana [Mr. Wood] called that interpretation of Mr. McCarl a monstrosity. It gave all the increases to the higher-bracket men.

Mr. BLANTON. Yes; and that is the only thing that has ever been put over the Comptroller General since he has been in office. That was put over by this other board here in Congress.

Mr. O'CONNELL. Did not the Comptroller General put it over on us?

Mr. BLANTON. No. He simply acquiesced in it being put over by another board. In other words, bureau chiefs who used to get \$5,000, and who had their salaries raised by Congress to \$7,500, by this interpretation now can draw \$9,000, which was never intended by Congress at all.

Now, during the recess the Comptroller General has called attention to the fact that the superintendent of St. Elizabeths Insane Asylum, Doctor White, in addition to the \$9,000 that he will draw under this wrongly interpreted Welch bill, is getting from this Government, in addition to his salary, the following, and here is the report of the Comptroller General of the United States, J. R. McCarl. He calls attention to the fact that Superintendent White is furnished by this Government with a residence with 19 rooms. Is there a Member of Congress out of the 435 occupying a more spacious habitation? If there is, show him to me. Here is what McCarl says this residence of 19 rooms embraces: 2 parlors, 1 library, 1 studio, 2 dining rooms, 6 bedrooms, 1 board room, 1 trunk room, 2 bathrooms, and 3 kitchen rooms. He estimates the value of the furniture which the Government is giving this superintendent free at an enormous sum. Then he shows that he is getting from the Government free laundry service worth \$300; that he is getting telephone service worth \$48; that he has a housekeeper who is paid \$1,020; that he has one waitress for his home who is paid \$960; that he is furnished one cook at \$1,380 and an assistant cook at \$1,080. Understand, this is not for the institution. They have numerous cooks and assistants. This is for his own private family residence, if you please. Then the Comptroller General says he is furnished his food free by the Government and that that food every year costs this Government \$2,676. That he is furnished coal for his family kitchen that amounts to \$195 a year; that he is furnished his cash salary and then other perquisites.

He is furnished with a fine limousine to ride around in and servants to take care of his residence, yards, and things. And this \$11,000 a year the Comptroller General of the United States says he has no right by law to receive from the people's exchequer, and he has directed the Secretary of the Interior to stop it, but not a single step has been taken to stop it. On the contrary, we find our frugal friend from Michigan, the economist of the Appropriations Committee, the one who carries out the Budget policy of the President on the floor—we find him coming in to get around the McCarl decision with an item of legislation in this bill to make it the law that all of these things should be furnished this superintendent of St. Elizabeths. Thank God, we can stop this, because it is subject to a point of order, and I intend to make it when we reach the item and knock it out; and I hope this committee will not let the Senate or any of the other friends of the Department of the Interior who are taking care of this superintendent put it back into the bill; and if they do, I hope this House, when it comes to a vote, where we have to vote it up or down, will vote it down when the time comes.

It has been very opportune that on last Sunday morning—not in a Washington paper but in New York—there was published a foolish article from the former commissioner of this District, Frederick A. Fenning. I hate to disinter the dead, but he needs attention. He said the District had been hamstrung and he wanted to know who had hamstrung it. He asked the question, "Who has hamstrung the District of Columbia?" Now, there was a time when this commissioner thought that when he walked the District of Columbia walked. He imagined he was the District of Columbia.

There was a time in Washington when he was invited to every important function, but lately he can hardly find anyone who will sit by him at a public banquet. He is now conspicuous by his absence at the functions which he used to attend. He condemns Congress individually and as a whole in his article. I must read you something about this gentleman. He was investigated before our Gibson committee, composed of three Republicans and two Democrats, and I conducted the investigation and introduced the evidence against him, and here is what the Gibson committee found unanimously about him. Let me read it to you:

The manner in which Mr. Fenning secured his business, the gross amount of fees he charged and received out of estates of insane veterans under his care, his continuance in the practice of the law and in the handling of estates of more than a hundred wards since he became commissioner, his method of writing his own bonds and receiving a portion of the premium and still charging the same to the estate of his wards, his attitude toward the enforcement of laws passed by Congress

relative to the District of Columbia, and the consequent loss of confidence in him on the part of the public, makes his continuance in office incompatible with the best interests of the District.

E. W. GIBSON, Chairman.
FRANK L. BOWMAN.
ROBERT G. HOUSTON.
THOMAS L. BLANTON.
RALPH GILBERT.

That is signed by E. W. GIBSON, of Vermont, chairman; FRANK L. BOWMAN, of West Virginia; ROBERT G. HOUSTON of Delaware; THOMAS L. BLANTON, of Texas; and RALPH GILBERT, of Kentucky. It was the unanimous report of the committee that investigated him. He was also investigated by the Judiciary Committee of this House, and I conducted same and presented the evidence, and after a long, patient hearing, a hearing by men who had been his personal friends, a hearing by men one of whom had been his neighbor in their summer homes up in Maine, a hearing by men who felt kindly toward him hitherto—here is what the majority of that committee said with respect to him. Let me quote from the Judiciary Committee report.

The majority said:

The practice which Mr. Fenning followed of acting as agent for a bonding and surety company, writing his own bond as committee and charging the estate of his ward for the premium and receiving from the bonding company a commission upon his bond or surety is illegal and contrary to law. * * * by reason of the great number of his wards his guardianship became impersonal and he could not and did not give to his wards that personal care and supervision which after all is the more important function of a guardian or committee, and which service was doubtless considered by the court as an element in allowing his compensation. We believe legislation should be promptly enacted which would in the future preclude any one person or corporation from acting as committee for more than a limited number of patients, in order that the committee may give to the ward that personal supervision so essential to his welfare. We further believe that in the first instance a near relative should be selected for this service, if a suitable person can be found, but if not, then provision should be made for a committee to be selected by the court. * * * the business relations of Mr. Fenning with these officials were of such a close nature and extended over so many years as to suggest that Mr. Fenning was given the preference in seeking clientage among the patients confined in that institution. The practice which seems to have grown up in this District, extending over a period of some 23 years, whereby Mr. Fenning was able to become the committee of hundreds of insane patients, many of them veterans of wars to whom the Government was making liberal allowances, and from which allowances Mr. Fenning was enabled to collect commissions, which commissions during the high tide of his committeehip amounted to approximately \$20,000 per year, is a practice which can not be too severely criticized and condemned, and Congress should forthwith and without delay enact legislation which will forever correct this evil and prevent anyone in the future from profiting from the misfortunes of others who in times of distress sacrificed in behalf of our country.

There was evidence submitted upon the question of Mr. Fenning's connection with a certain banking institution and with a certain undertaking establishment, but taken in connection with the practice Mr. Fenning pursued in becoming committee for a large number of patients, the large amount of money coming into his hands because of such activities, points to the building up of a system through which all the profits accruing might go to Mr. Fenning or to some corporation, and is a further argument against one person acting as committee for so many unfortunates.

Where insane ex-soldiers, sailors, and marines are concerned the United States Government should have officials designated to look after, without charge, the estates of such persons, and that no part of said estates should be expended in commissions or fees; but that the whole of the estates should be for the sole benefit of the veterans and their dependents.

The committee should not accept pay, directly or indirectly, while occupying a fiduciary relation, other than by direct allowance by the court, and even then we think that in no case should the allowance exceed 10 per cent of the estate of the ward.

It appears from the evidence that officials of the District of Columbia transact business with the District through corporations in which they are directly or indirectly interested. This is a practice which is subject to severe criticism and condemnation, and if continued necessarily leads to favoritism, and officials who follow this practice can not give impartial service to the District of Columbia. The practice should not be allowed.

Not only was he thus condemned by a majority of the committee, but I want to read you some excerpts from what certain individuals on the Judiciary Committee saw fit to put into the report themselves as their individual views. Never before in

the history of this Congress have so many members of the great Judiciary Committee filed individual opinions concerning any matter that had been under investigation by them. Let me read you just a few of them.

This is from our distinguished colleague, SAM C. MAJOR, a member of the Judiciary Committee:

I wish to say that I feel convinced that the usefulness of this commissioner in the District is at an end and that the interests of this Government and of the District can be best subserved by his immediate removal by the only authority that can remove him—the power that created him—the President of the United States.

SAM C. MAJOR.

Here is one from a former governor of the great Commonwealth of Virginia, our present colleague, Hon. A. J. MONTAGUE:

1. The evidence discloses that the respondent became the committee of an astounding number of insane patients in the St. Elizabeths Hospital, and that he in the main secured these fiduciary positions through improper and reprehensible methods which he has employed with a diligence and ingenuity worthy of a better cause.

2. That respondent was energetic and resourceful in securing improper commissions, premiums, and compensations out of his wards' estates or by reason of his relations and associations growing out of or connected directly or indirectly with these fiduciary trusts.

3. That his monopoly of these trusts, and his methods of charging them with all the law allowed, and in some instances with more than the law allowed—for example, his unlawful collections of premiums on fiduciary bonds issued by a corporation of which he was agent—evinced a sordid sense of duty, resulting in unjustifiable practices.

4. That in consideration of the foregoing reasons and facts, together with the general standard of fiduciary conduct of the respondent, as shown by the evidence, I am compelled to conclude that he is unfit for any official position of high trust and responsibility.

A. J. MONTAGUE.

That was signed by a former governor of the great Commonwealth of Virginia, our distinguished colleague, Hon. A. J. MONTAGUE.

Let me quote conclusions from other members of the Judiciary Committee. Here is one from HENRY ST. GEORGE TUCKER, of Virginia, descended from a family of statesmen in this country, a former president of the American Bar Association, if you please, and here is what HENRY ST. GEORGE TUCKER says about Frederick A. Fenning:

On a review of the whole evidence in this case we feel that the practice which has existed in the District of Columbia by which one man had secured practically a monopoly of the business involving the guardianship of unfortunates, among whom are very many veterans of the late war, is to be strongly condemned. Commissioner Fenning's organization seemed to lack no element of completeness. When he determined to enter upon this line of practice, he notified the judges of the District, his fellow members of the bar, of his intention. But where were his clients to come from? He naturally casts a longing eye toward St. Elizabeths Hospital, with its spacious buildings and hundreds of inmates that might amply satisfy his ambitions; and so a friendship speedily arose between the superintendent, Doctor White, and himself, during which they became partners in a real-estate concern, and St. Elizabeths soon was sending forth her insane veterans to his door, whose estates, if not their personal care, were to rest securely in the hands of Mr. Fenning. The coming of groups of shell-shocked veterans to the hospital was fittingly celebrated always by Mr. Fenning's presence, and his entrée to the papers of these unfortunates was recognized practically as his exclusive privilege.

Feeling that the tide of business that was flowing from St. Elizabeths might not be sufficient to fill the full measure of his ambition, the Veterans' Bureau arose on the horizon as a fitting adjunct to St. Elizabeths in supplying his needs and from this source soon flowed a stream of World War veterans to complete his success.

But should these two sources of clientage be exhausted, as they might be, he was not unmindful of the Laurel Sanitarium, near by, in the State of Maryland, which offered ample fields to add to those who might be under his tutelage and care, and so he became a director in that institution.

But even these did not seem to satisfy his ambition; for finding that the undertakers who bury the dead soldiers often had to go into court for the appointment of an administrator that they might secure from the estate of the deceased their burial fees, it was soon found that he had become a stockholder in the Joseph Gawler's Sons (Inc.), an undertaker's establishment, and a director in the same concern and also counsel, and the evidence discloses that a number of bodies of these unfortunates were sent to this establishment for burial at a cost largely in excess of that provided by the Government.

The result of this compact and orderly organization for the practice of the law could have but one result, and that is, that as his income increased by the number of cases that came to him, by just that much was his care of these unfortunates under his charge dimin-

ished, for as the number increased his capacity for attention to them was thereby diminished. The greater his success attained by and through their estates, the greater necessarily was their neglect. His rise was their downfall. From the lofty peaks of his financial success, brought to him by his wards, he was forced to see in the depths below him, day by day, the halting, faltering footsteps of men bereft of reason, whose "martial drumbeat encircling the earth," in serried ranks had wrested liberty for the world from the greatest military autocrat of the ages. The dire results to the veterans as thus seen naturally followed from the character of his business.

His fees and commissions in a few years amounted to \$100,000, in round figures, without his wards receiving that attention which was their rightful due. We unqualifiedly condemn this practice, and recommend that in all cases a relative should be secured as committee for these unfortunates, if it is possible to find one, and if not, that a public guardian be established by law, whose duty it shall be to care for the welfare, health, and advancement of their condition.

We heartily condemn the practice which has been carried on by Mr. Fenning for years in which, as agent for a bonding company, he wrote his own bonds, charging the expense of it to his ward's estate and receiving for himself one-fourth of his commission on each bond instead of giving it to his ward's estate.

Reviewing the whole evidence in this case in its many ramifications, and especially in relation to the welfare of the people of the District of Columbia, we are brought to the reluctant conclusion that Commissioner Fenning's usefulness as an officer of the District is at an end. Holding these views, we recommend that a copy of the evidence in these proceedings be sent with our report, if adopted by the House, to the Attorney General of the United States, that that high officer, in fulfillment of his constitutional obligations, may take such measures as will meet the requirements of the case.

H. ST. GEORGE TUCKER.

Note the foregoing was signed "H. ST. GEORGE TUCKER," who is one of the leading lawyers of the United States.

Is it any wonder that Frederick A. Fenning has finally realized that "he has been hamstrung"?

Here is another one from our distinguished friends, FRED H. DOMINICK and ZEBULON WEAVER, signed jointly by them as members of the Judiciary Committee:

We feel that the facts in this case, instead of calling for some mild rebuke and very general recommendations, demand some action by Congress looking to the removal of Mr. Fenning from office as a Commissioner of the District of Columbia, either by impeachment or otherwise, and for the relief of the unfortunate World War veterans whose estates he has been handling.

It is shown that he received more as fees and commissions from each one of these cases than he allowed the ward for clothes and spending money. He is shown to be a stockholder and director in an undertaker's establishment through which these boys were buried when they died.

He was his own bonding agent and collected and appropriated to his own use out of his wards' estate 25 per cent commissions on the premiums on said bonds, in violation of law.

It can not be disputed from the facts developed in this record that there is an unholy collusion between White and Fenning to exploit the insane wards of St. Elizabeths for pecuniary profit.

Upon all the facts in this case, as developed by this record, we think that positive action by the House is imperative, and we therefore recommend his impeachment and removal from office, and that proceedings be instituted at once by the proper authorities to remove him from his present position as guardian for these unfortunate wards and have all their estates audited; also to recover back to them the funds which he has wrongfully collected from them, and that the Department of Justice be directed to institute proper proceedings to punish him for his unlawful misconduct.

Respectfully submitted,

FRED H. DOMINICK,
ZEBULON WEAVER.

Now, listen! This man White is the man to whom our friend from Michigan is asking this House to give, in addition to his salary of \$9,000 a year, this 19-room residence, if you please, and all of these other things which I have mentioned. Listen to what these gentlemen say about him:

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman.

Mr. SCHAFER. Perhaps Doctor White needed a house with 19 rooms, so he could entertain his friend Fenning when he visited him in the style to which Fenning was accustomed. A man who obtained wealth even by robbing the insane soldiers of the late war as Fenning did would demand lavish entertainment.

Mr. BLANTON. No; he would not need but one back room if Fenning visited him, because nobody else of any standing would be there.

Mr. SCHAFER. As a lawyer, does not the gentleman think the testimony before the different committees of the House revealed such crimes as would have justified the internment of Mr. Fenning in the Atlanta Penitentiary?

Mr. BLANTON. He ought to be there for the rest of his natural life.

Mr. SCHAFER. I agree with the gentleman on that.

Mr. BLANTON. Here is what they said about this director of St. Elizabeths Hospital, Dr. William A. White, being a joint conspirator in wrongdoing with Fenning:

It can not be disputed from the facts developed in this record that there is an unholy collusion between White and Fenning to exploit the insane wards of St. Elizabeths for pecuniary profit.

This is signed by FRED H. DOMINICK and ZEBULON WEAVER.

Here is another conclusion from members of the Judiciary Committee signed by our distinguished colleague from Texas [Mr. SUMNERS] and our distinguished colleague from Alabama [W. B. BOWLING]:

In our view, as a central fact it has been clearly established that Mr. Fenning, having determined that he would become a professional committee or guardian for insane persons as a matter of revenue to himself, set about procuring himself to be designated as such committee. That he established such contract with St. Elizabeths Hospital for the Insane. That he received preferential opportunities for appointment as committee. That he was instrumental in procuring judgments of commitment in many cases in which he was appointed. That he charged against the estates of his wards, over and above the amount paid by him, the agent's commission, when as a matter of fact he held the agency himself. And in specific instances, as developed during the hearings, was guilty of conduct toward his wards utterly at variance with the obligations resting upon him as a guardian of this class of unfortunates.

In our view, the selection of this means of making money and the methods resorted to as disclosed by the records of the hearing before the Judiciary Committee of the House, show that Mr. Fenning is a person unfit to hold the office of Commissioner of the District of Columbia.

HATTON W. SUMNERS.
W. B. BOWLING.

That was signed by HATTON W. SUMNERS and W. B. BOWLING. But here is the climax.

After these hearings were concluded, and after we had brought the evidence against him before the people of the country, the Washington Post, which up to that very moment had defended him every step of the way, and when the resolution was first offered to investigate him had said that the resolution ought to be thrown in the wastebasket and condemned me for introducing it—here is what the Washington Post said after the investigation was over. I quote this from an editorial of the Post of June 13, 1926:

The protracted inquiry into the affairs of District Commissioner Frederick A. Fenning has resulted in a report by the House subcommittee on the District of Columbia severely criticizing that official and stating that his continuance in office is incompatible with the best interests of the District.

The people of Washington have noted with chagrin the revelation of one fact after another which, when assembled, have destroyed their confidence in Mr. Fenning and convinced them that his usefulness as a commissioner is at an end. They have reached this conclusion with reluctance, and after giving Mr. Fenning the benefit of every doubt.

Mr. Fenning has fallen short of the requirements of his high office. His retirement is desirable and necessary.

Is it any wonder that Frederick A. Fenning has at last concluded himself that "he is hamstrung"?

But I want to take my hat off to the Washington Times and the Washington Herald.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield the gentleman from Texas 10 minutes more.

Mr. BLANTON. I thank the gentleman.

I want to take off my hat in this instance at least to the Hearst publications, and this is the first time I have ever done it in my life.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SCHAFER. It is not a Hearst publication that Fenning is an "editorial" writer for—the New York World is not a Hearst paper.

Mr. BLANTON. No; but I was speaking of Hearst's papers in Washington.

Mr. SCHAFER. Is Fenning a member of their staff?

Mr. BLANTON. I do not think so, but I want to take my hat off to the Hearst publications in Washington for rendering

the people of this country a signal service. When the distinguished Judiciary Committee—and it is one of the most important committees of this House, presided over by my good friend from Pennsylvania—when this committee spent its time investigating this case and digesting all the evidence I had brought out, the Times and the Herald, which had been as reluctant to believe it as the Post, were convinced that he was unfit for office; here is what the Herald the next morning, and the Times that evening, said in great, big, box-car letters an inch long:

"Get out!" in great big letters an inch high. Who were they talking about? This same Fenning who is called up out of his grave to write articles in the New York World about Congress hamstringing the District. He asks the question, "Who hamstrung the District?" Well, if he is the District I want him to understand that I am one of those who helped to do it, and I am proud of it. We do not want any of his kind of cattle handling the business of the Government.

Here is what the Times said editorially on June 7, 1926:

GET OUT

To Commissioner FREDERICK A. FENNING:

Get out!

Resign!

As a member of the Board of District Commissioners you are an embarrassment to the President of the United States, who appointed you to office.

You are an embarrassment to the other members of the board, who are forced to serve with you.

You are a thorn in the side of the Republican Party, whose legislators approved you.

You are a disappointment to the District politicians who suggested you for office.

You are an official eyesore to America's sons who served in the war; and

The people of the District of Columbia don't want you as commissioner!

Your practices are condemned by even your political supporters.

Last-minute trickery saved you from congressional action demanding your removal from office.

You are a hard fighter. You proved your courage and your astuteness in your battle to save your job.

But the battle is over and you have lost.

If the voteless people of Washington had the right to choose their officials you would probably never have been made commissioner.

If Washingtonians had the right of recall you would have been ousted when you arbitrarily "broke" a respected police officer without giving him a hearing in his own defense.

You made a mistake when you accepted office.

You made another mistake when you continued your private practice while acting as a public official.

You make another mistake if you fail to realize that the people of Washington want you to resign. Apparently the only person who wants you to continue in office is Frederick A. Fenning.

The vote is more than 500,000 to 1 against you, Mr. Fenning.

In behalf of the residents of the District of Columbia, the Washington Times demands that you

Get out!

Well, he got out. Naturally he feels hamstrung. What caused him to be resurrected? A New York paper did. He speaks of a policeman whom the entire board here crucified, and he said that a certain Congressman ought to be condemned for having defended him.

Well, in conclusion I want to say that we have many moral duties to perform that are unpleasant. For instance, I had a duty to perform to my party. I believe in party government. I am a party man. Why, party responsibility is the only safeguard on God's earth that the people have against improper government officials. If one party does wrong the people have the right to kick it out and put in another. It became my duty recently to my party, from whom I have received favors for 20 years, to support a nominee that I did not believe in and whose policies I never believed in and whose main platform I was against—but I had to support him. I made a great personal sacrifice when I did, politically and otherwise. I had to make a personal sacrifice to defend the policeman. But it was my moral duty to do it. There was a policeman who had rendered a certain subcommittee of which I was a member a signal service in the matter that we were investigating. I would have been an ingrate, I would have been without any feeling of gratitude, if I had not stood by him. He helped us in another investigation, which showed that there were 3,000 bootleggers in Washington selling whisky unlawfully.

Mr. SCHAFER. Will the gentleman yield?

Did the gentleman support Al Smith with a view to doing away with these 3,000 whisky places? [Laughter.]

Mr. BLANTON. I did not notice that Mr. Hoover's Cabinet had stopped any of these 3,000 bootleggers from selling liquor, or that they had stopped the green-hat man, Cassidy, from operating in the House Office Building. He operated just as well after he was arrested as before. I did not notice that they ever closed up any "joint" in the District. I have not noticed that Mr. Hoover or his Republican administration has ever done one single thing substantially to enforce the liquor law of the United States other than to expend money and once in a while give a fellow a \$30 fine, which is a cheap license to do the very thing the law says it shall not do.

Mr. SCHAFER. Did the gentleman from Texas vote for the amendment of the gentleman from New York [Mr. LAGUARDIA] increasing the prohibition appropriation?

Mr. BLANTON. Oh, that was not a prohibition amendment; that came from a "wet." [Laughter.]

Now here is what your distinguished chairman, the lawyer from Vermont, Mr. GIBSON, of the subcommittee of the District of Columbia, said when interrogating the foreman of the grand jury:

Chairman GIBSON. It appears, Mr. McQuade, in the testimony given before this committee, that there are 3,000 persons selling liquor in the District of Columbia. Are we to take that as an indication that the law is not being enforced?

Mr. MCQUADE. I should not say so.

Chairman GIBSON. That is quite a large number for the National Capital, is it not?

Mr. MCQUADE. Yes, sir.

Mr. GILBERT. The grand jury has been in session going on three months, with 3,000 bootleggers so plying their trade, as to be matter of public knowledge, and the grand jury, of which you are foreman, has not returned a single indictment.

Mr. MCQUADE. There have been no cases presented to the grand jury.

Now, because we put the grand-jury foreman through a course of rubbing in the committee he concluded that it was this young policeman who gave him away. When we showed that the grand-jury foreman was in collusion with the gambling houses and that he had told the policemen who had warrants in their pockets not to serve them, and thus kept gambling joints from being closed up, he concluded that this young policeman had given him away. So in the home of his brother-in-law a few nights thereafter some ridiculous charges with no foundation therefor whatever were hatched up to frame him.

Then they framed him, this brave young policeman, who had helped our committee. Do you think that I was not going to stand by him? It was a moral obligation that I owed him, and I do not regret it. They framed him and they put him out of office, but if this Congress knew all of the facts that I know about that frame-up, the Congress would require that police board to put him back. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has again expired. There being no further debate, the Clerk will read the bill for amendment under the 5-minute rule.

The Clerk read as follows:

OFFICE OF THE SECRETARY SALARIES

Secretary of the Interior, \$15,000; First Assistant Secretary, Assistant Secretary, and other personal services in the District of Columbia, \$369,000, in all, \$384,000: *Provided*, That in expending appropriations or portions of appropriations, contained in this act, for the payment for personal services in the District of Columbia in accordance with the classification act of 1923, as amended (U. S. C. pp. 65-71, secs. 661-673, 45 Stat. pp. 776-785), the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such act, and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade except that in unusually meritorious cases of one position in a grade advances may be made to rates higher than the average of the compensation rates of the grade but not more often than once in any fiscal year and then only to the next higher rate: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation was fixed, as of July 1, 1924, in accordance with the rules of section 6 of such act, (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit, or (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the classification act of 1923, as amended, and is specifically authorized by other law.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment, which is a perfecting amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 2, line 14, after the word "act," insert the words "as amended."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

CONTINGENT EXPENSES, DEPARTMENT OF THE INTERIOR

For contingent expenses of the office of the Secretary and the bureaus and offices of the department; furniture, carpets, ice, lumber, hardware, dry goods, advertising, telegraphing, telephone service, including personal services of temporary or emergency telephone operators, street-car fares for use of messengers not exceeding \$150, expressage, diagrams, awnings, filing devices, typewriters, adding, addressing, and check-signing machines, and other labor-saving devices, including the repair, exchange, and maintenance thereof; constructing model and other cases and furniture; postage stamps to prepay postage on foreign mail and for special-delivery and air-mail stamps for use in the United States; traveling expenses, including necessary expenses of inspectors; fuel and light; examination of estimates for appropriations in the field for any bureau, office, or service of the department; not exceeding \$500 shall be available for the payment of damages caused to private property by department motor vehicles; purchase and exchange of motor trucks, motor cycles, and bicycles, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles and motor trucks, motor cycles, and bicycles to be used only for official purposes; rent of department garage; expense of taking testimony and preparing the same in connection with disbarment proceedings instituted against persons charged with improper practices before the department, its bureaus and offices; expense of translations; not exceeding \$500 for newspapers, for which payment may be made in advance; stationery, including tags, labels, index cards, cloth-lined wrappers, and specimen bags, printed in the course of manufacture, and such printed envelopes as are not supplied under contracts made by the Postmaster General, for the department and its several bureaus and offices, and other absolutely necessary expenses not hereinbefore provided for, \$110,000; and, in addition thereto, sums amounting to \$71,000 for stationery supplies shall be deducted from other appropriations made for the fiscal year 1930, as follows: Surveying public lands, \$2,000; protecting public lands and timber, \$1,000; contingent expenses, local land offices, \$2,500; Geological Survey, \$4,000; Indian Service, \$42,000; Freedmen's Hospital, \$1,000; St. Elizabeths Hospital, \$2,500; National Park Service, \$4,000; Bureau of Reclamation, \$12,000, any unexpended portion of which shall revert and be credited to the reclamation fund; and said sums so deducted shall be credited to and constitute, together with the first-named sum of \$110,000, the total appropriation for contingent expenses for the department and its several bureaus and offices for the fiscal year 1930.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word in order to ask a question. What is this item of "\$2,500, St. Elizabeths Hospital," for?

Mr. CRAMTON. That is one of several items there authorizing transfers from appropriations elsewhere in the bill for the institutions named, to be used for the purchase of stationery.

Mr. BLANTON. It does not permit its use for any other purpose?

Mr. CRAMTON. No. The gentleman will see that it reads—and, in addition thereto, sums amounting to \$71,000 for stationery supplies, to be deducted—

And so forth.

Mr. BLANTON. But this \$2,500 could not be used to pay any of Doctor White's maintenance charges?

Mr. CRAMTON. No. Those are amply provided for elsewhere under the bill.

Mr. BLANTON. I wanted to be sure that he could not get any part of this \$2,500.

Mr. CRAMTON. This item has to do only with stationery supplies.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn and the Clerk will read.

The Clerk read as follows:

For expenses necessary to the purchase of goods and supplies for the Indian Service, including inspection, pay of necessary employees, and all other expenses connected therewith, including advertising, storage, and transportation of Indian goods and supplies, \$600,000: *Provided*, That no part of this appropriation shall be used in payment for any services except bill therefor is rendered within one year from the time the service is performed.

Mr. BLANTON. Mr. Chairman, I make the point of order against the proviso.

Mr. CRAMTON. Mr. Chairman, I move that the committee do now rise.

Mr. BLANTON. I want the point of order pending, if we are going to rise now.

Mr. CRAMTON. Let us have the gentleman state his point of order.

Mr. BLANTON. I reserve it, so as to ask a question.

Mr. CRAMTON. I withdraw the motion to rise until I know what the point of order is.

Mr. BLANTON. I reserve it to ask a question.

Mr. CRAMTON. Very well.

Mr. BLANTON. Under the present law are they given one year in which to file an account? Does this not give them a longer time than they have by law?

Mr. CRAMTON. No. The situation is this: That proviso has been in the bill for two or three years. Before that, bills came in for these freight charges two or three of four years after the service was rendered. That seemed highly undesirable to our committee. It is a purpose for which a deficiency may be incurred—

Mr. BLANTON. If that is the case I withdraw the reservation.

Mr. CRAMTON. The agent that did the business might be off the job.

Mr. BLANTON. Why not amend by offering to insert the word "hereafter"? "Provided, That hereafter." If it is good, let us make it permanent right now.

Mr. CRAMTON. There is something in what the gentleman says, but he would have to make more of a change than that. As I understand it, the Clerk has read the paragraph, but not the next one. I move that the committee do now rise. We can consider then whether or not we want to amend it when we meet again.

The CHAIRMAN. Is the gentleman's point of order reserved?

Mr. BLANTON. I withdraw it. I think it is a good piece of legislation.

Mr. CRAMTON. It is not really legislation. We would not want to admit that. I move that the committee do now rise. I suggest to the gentleman from Texas that the question of amending the paragraph we can consider at the next meeting.

The CHAIRMAN. The gentleman from Texas withdraws his reservation of the point of order?

Mr. BLANTON. Yes; but it leaves the paragraph subject to amendment when we next meet.

The CHAIRMAN. The question is on the motion of the gentleman from Michigan that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CHINDBLOM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 15089, the Department of the Interior appropriation bill, and had come to no resolution thereon.

UNITED STATES COURT OF CUSTOMS APPEALS

Mr. GRAHAM. Mr. Speaker, I have been requested by the Committee on the Judiciary of the House to ask unanimous consent that the bill (H. R. 6687) be taken from the Speaker's desk, the Senate amendments disagreed to, and ask for a conference.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent—

Mr. TAYLOR of Colorado. Mr. Speaker, I would like to ask what it is about. Our two leaders have gone from the House and they have requested me to look after unanimous consents, with the understanding that there would be no business.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read as follows:

An act (H. R. 6687) to change the title of the United States Court of Customs Appeals, and for other purposes.

The Senate amendments were read.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. TAYLOR of Colorado. Could not the gentleman just as well present this to-morrow morning?

Mr. SNELL. This is only to send the bill to conference.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to disagree to the Senate amendments and ask for a conference. Is there objection? [After a pause.] The Chair hears none. The Chair appoints the following conferees.

The Clerk read as follows:

Mr. GRAHAM, Mr. HICKEY, and Mr. MAJOR of Missouri.

HUNTER LIGGETT AND ROBERT L. BULLARD, MAJOR GENERALS, UNITED STATES ARMY, RETIRED

Mr. FURLOW. Mr. Speaker, I ask unanimous consent that I may have until 12 o'clock to-night to file a report on the bill (S. 3269) providing for the advancement on the retired list of the Army of Hunter Liggett and Robert L. Bullard, major generals of the United States Army, retired.

The SPEAKER. Is there objection?

Mr. CHINDBLOM. Mr. Speaker, reserving the right to object, that report is by direction of the committee?

Mr. FURLOW. By direction of the committee.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

SENATE JOINT RESOLUTION AND CONCURRENT RESOLUTION REFERRED

A joint resolution and concurrent resolution of the Senate of the following titles were taken from the Speaker's table and referred to the appropriate committees, as follows:

S. J. Res. 132. Joint resolution to create a commission to secure plans and designs for and to erect a memorial building for the National Memorial Association (Inc.) in the city of Washington as a tribute to the negro's contribution to the achievements of America; to the Committee on Public Buildings and Grounds.

S. Con. Res. 24. Concurrent resolution providing for the appointment of a joint committee to make the necessary arrangements for the inauguration of the President elect of the United States on March 4, 1929; to the Committee on Rules.

ENROLLED BILLS SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the House of the following titles, when the Speaker signed the same:

H. R. 279. An act to amend section 8 of an act entitled "An act to incorporate the Howard University in the District of Columbia," approved March 2, 1867;

H. R. 7346. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment thereon in claims which the Winnebago Tribe of Indians may have against the United States, and for other purposes;

H. R. 11983. An act to provide for issuance of perpetual easements to the Department of Fish and Game, State of Idaho, to certain lands situated within the original boundaries of the Nez Perce Indian Reservation, State of Idaho;

H. R. 12312. An act for the relief of James Hunts Along;

H. R. 12533. An act to authorize the Secretary of Commerce to dispose of certain lighthouse reservations and to acquire certain lands for lighthouse purposes; and

H. R. 13606. An act for the relief of Russell White Bear.

ADJOURNMENT

Mr. CRAMTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 6 minutes p. m.) the House adjourned until to-morrow, Wednesday, December 12, 1928, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Wednesday, December 12, 1928, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON AGRICULTURE

(10 a. m.)

To amend the packers and stockyards act, 1921 (H. R. 13596).

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

War Department appropriation bill.

COMMITTEE ON INDIAN AFFAIRS

(10 a. m.)

A hearing of the subcommittee to consider H. R. 10741—a bill for the relief of J. F. McMurray.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

(10 a. m.)

To consider the bill proposing plans for a new House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

660. A communication from the President of the United States, transmitting record of a judgment rendered against the

Government by the United States District Court for the Eastern District of Virginia in special cases, amounting to \$6,363.98 (H. Doc. No. 460); to the Committee on Appropriations and ordered to be printed.

661. A communication from the President of the United States, transmitting schedule covering certain claims allowed by the General Accounting Office, as shown by certificates of settlement transmitted to the Treasury Department for payment, in the sum of \$69.33 (H. Doc. No. 461); to the Committee on Appropriations and ordered to be printed.

662. A communication from the President of the United States, transmitting records of judgments rendered against the Government by the United States district courts, as submitted by the Attorney General through the Secretary of the Treasury (H. Doc. No. 462); to the Committee on Appropriations and ordered to be printed.

663. A communication from the President of the United States, transmitting records of judgments rendered against the Government by the United States district courts, as submitted by the Attorney General through the Secretary of the Treasury, which require an appropriation for their payment (H. Doc. No. 463); to the Committee on Appropriations and ordered to be printed.

664. A communication from the President of the United States, transmitting proposed draft of legislation affecting an existing appropriated fund, the Navy pension fund, under control of the Navy Department, authorizing payments therefrom in the amount of \$42.40 (H. Doc. No. 464); to the Committee on Appropriations and ordered to be printed.

665. A communication from the President of the United States, transmitting list of judgments rendered by the Court of Claims, amounting to \$897,096.89 (H. Doc. No. 465); to the Committee on Appropriations and ordered to be printed.

666. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the Treasury Department for the fiscal year 1929 and prior years for refunding internal revenue and taxes illegally or erroneously collected, \$75,000,000 (H. Doc. No. 466); to the Committee on Appropriations and ordered to be printed.

667. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the Department of Justice for the fiscal year 1928 and prior years, amounting to \$179,195.15, and a supplemental estimate of appropriation for the fiscal year 1929 amounting to \$19,000, in all \$198,195.15; also a draft of proposed legislation affecting an existing appropriation (H. Doc. No. 467); to the Committee on Appropriations and ordered to be printed.

668. A communication from the President of the United States, transmitting schedules of claims amounting to \$939,092.75, allowed by various divisions of the General Accounting Office as covered by certificates of settlement, and for the service of the several departments and independent offices (H. Doc. No. 468); to the Committee on Appropriations and ordered to be printed.

669. A letter from the Comptroller General of the United States, transmitting report and recommendation to the Congress concerning the claim of Mrs. Thelma Phelps Lester against the United States; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BOYLAN: Committee on Military Affairs. H. R. 14152. A bill to authorize the acquisition of two tracts of land required in connection with the coast defense of the Atlantic seaboard; without amendment (Rept. No. 1939). Referred to the Committee of the Whole House on the state of the Union.

Mr. REECE: Committee on Military Affairs. H. R. 14153. A bill to authorize an additional appropriation of \$150,000 for construction of a hospital annex at Marion Branch; without amendment (Rept. No. 1940). Referred to the Committee of the Whole House on the state of the Union.

Mr. McSWAIN: Committee on Military Affairs. H. R. 14154. A bill to authorize appropriations for construction at the Army medical center, District of Columbia, and for other purposes; without amendment (Rept. No. 1941). Referred to the Committee of the Whole House on the state of the Union.

Mr. FISHER: Committee on Military Affairs. H. R. 14155. A bill to authorize appropriations for construction at military posts, and for other purposes; without amendment (Rept. No. 1942). Referred to the Committee of the Whole House on the state of the Union.

Mr. WAINWRIGHT: Committee on Military Affairs. H. R. 14156. A bill to authorize an appropriation for the construction

of a cannon powder blending unit at Picatinny Arsenal, Dover, N. J.; without amendment (Rept. No. 1943). Referred to the Committee of the Whole House on the state of the Union.

Mr. MORIN: Committee on Military Affairs. H. R. 14813. A bill to authorize an appropriation for completing the new cadet mess hall, United States Military Academy; without amendment (Rept. No. 1944). Referred to the Committee of the Whole House on the state of the Union.

Mr. GLYNN: Committee on Military Affairs. H. R. 15013. A bill to amend the act entitled "An act to authorize the Board of Managers of the National Home for Disabled Volunteer Soldiers to accept title to the State camp for veterans at Bath, N. Y.," approved May 26, 1928; without amendment (Rept. No. 1945). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WAINWRIGHT: Committee on Military Affairs. H. R. 13990. A bill to authorize the President to present the distinguished flying cross to Orville Wright; with amendment (Rept. No. 1946). Referred to the Committee of the Whole House.

Mr. FURLOW: Committee on Military Affairs. S. 3269. An act providing for the advancement on the retired list of the Army of Hunter Liggett and Robert L. Bullard, major generals, United States Army, retired; with amendments (Rept. No. 1947). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 7603) granting an increase of pension to Phoebe R. Weaver; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 14063) granting a pension to Rachel Caroline Pardoe; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 14497) granting an increase of pension to Mary J. Darling; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 14632) granting a pension to Carrie E. Baldwin; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROY G. FITZGERALD: A bill (H. R. 15201) to extend the time for commencing and completing the construction of a bridge across the Ohio River at or near Maysville, Ky., and Aberdeen, Ohio; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITEHEAD: A bill (H. R. 15202) granting the consent of Congress to the Danville & Western Railway Co. to rebuild and reconstruct and to maintain and operate the existing railroad bridge across the Dan River in Pittsylvania County, Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. BLACK of New York: A bill (H. R. 15203) providing for a revolving fund for the enforcement of the narcotic acts; to the Committee on the Judiciary.

By Mr. BOYLAN: A bill (H. R. 15204) to provide for the refitting of the frigate *Constitution*; to the Committee on Naval Affairs.

By Mr. BRITTEN: A bill (H. R. 15205) to amend the act of May 4, 1898, as amended by the act of March 3, 1899, relating to the number of acting assistant surgeons in the Navy to be appointed by the President; to the Committee on Naval Affairs.

Also, a bill (H. R. 15206) to provide for advancement in rank of certain officers on the retired list of the Navy; to the Committee on Naval Affairs.

By Mr. CRAIL: A bill (H. R. 15207) to declare the 11th day of November, celebrated and known as Armistice Day, a legal public holiday; to the Committee on the Judiciary.

By Mr. FISHER: A bill (H. R. 15208) to amend section 259 of the Judicial Code; to the Committee on the Judiciary.

By Mr. HOFFMAN: A bill (H. R. 15209) to grant relief to those States which brought State-owned property into the Federal service in 1917; to the Committee on Military Affairs.

Also, a bill (H. R. 15210) to authorize promotion upon retirement of officers of the Army in recognition of World War service; to the Committee on Military Affairs.

By Mr. REED of New York: A bill (H. R. 15211) to amend section 7 of the act entitled "An act to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and in industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure," approved February 23, 1917, as amended; to the Committee on Education.

By Mr. KINDRED: A bill (H. R. 15212) to establish a national institute of health, to authorize increased appropriations for the Hygienic Laboratory, and to authorize the Government to accept donations for use in ascertaining the cause, prevention, and cure of disease affecting human beings; to the Committee on Interstate and Foreign Commerce.

By Mr. LEAVITT: A bill (H. R. 15213) to authorize the Secretary of the Interior to develop power and to lease for power purposes structures of Indian irrigation projects, and for other purposes; to the Committee on Indian Affairs.

By Mr. PEAVER: A bill (H. R. 15214) providing aid for Indians who are blind or blind and deaf; to the Committee on Indian Affairs.

By Mr. HOUSTON of Hawaii: A bill (H. R. 15215) to extend for a period of two years the provisions of the act entitled "An act for the promotion of the welfare and hygiene of maternity and infancy, and for other purposes," approved November 23, 1921, as amended, in so far as they apply to the Territory of Hawaii; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Indiana: A bill (H. R. 15216) to provide for the return of unused premiums collected on policies issued on the lives of seamen during the World War; to the Committee on Interstate and Foreign Commerce.

By Mr. LEAVITT: A bill (H. R. 15217) to amend section 3 of the act of July 17, 1914, entitled "An act to provide for agricultural entry of lands withdrawn, classified, or reported as containing phosphate, nitrate, potash, oil, gas, or asphaltic minerals"; to the Committee on the Public Lands.

By Mr. MAPES: A bill (H. R. 15218) to amend section 8 of the act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," approved June 30, 1906, as amended; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BECK of Pennsylvania: A bill (H. R. 15219) for the relief of Margaret Thomkin; to the Committee on Military Affairs.

By Mr. BOYLAN: A bill (H. R. 15220) for the relief of Francis X. Callahan; to the Committee on Military Affairs.

By Mr. BRIGHAM: A bill (H. R. 15221) granting an increase of pension to Ednah Augusta Chappel Ross; to the Committee on Pensions.

By Mr. BROWNE: A bill (H. R. 15222) granting a pension to Edwin H. Tarbox; to the Committee on Pensions.

Also, a bill (H. R. 15223) granting an increase of pension to Elizabeth Wright; to the Committee on Invalid Pensions.

By Mr. BURTON: A bill (H. R. 15224) for the relief of Upson-Walton Co.; to the Committee on Claims.

By Mr. CHRISTOPHERSON: A bill (H. R. 15225) authorizing the President to reappoint Capt. James Day Edgar, United States Army (retired), to the position and rank of captain, Medical Corps, in the United States Army; to the Committee on Military Affairs.

By Mr. COCHRAN of Missouri: A bill (H. R. 15226) for the relief of Edith Cook; to the Committee on Claims.

Also, a bill (H. R. 15227) to extend the benefits of the United States employees' compensation act to R. W. Dickerson; to the Committee on Claims.

By Mr. CRAIL: A bill (H. R. 15228) granting to Edward Everett Sherrard a commission as captain in the Medical Corps, United States Army, as of July 1, 1918, and an honorable discharge as of November 11, 1918; to the Committee on Military Affairs.

Also, a bill (H. R. 15229) granting a pension to Warren L. Raynes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15230) granting an increase of pension to Alice French; to the Committee on Invalid Pensions.

By Mr. FOSS: A bill (H. R. 15231) granting a pension to Margaret Bartlett; to the Committee on Pensions.

Also, a bill (H. R. 15232) to correct the military record of Louis Miner; to the Committee on Military Affairs.

By Mr. HOFFMAN: A bill (H. R. 15233) for the relief of James W. Walters; to the Committee on Claims.

By Mr. HOGG: A bill (H. R. 15234) granting a pension to Emanuel Caywood; to the Committee on Invalid Pensions.

By Mr. HOLADAY: A bill (H. R. 15235) granting a pension to George E. Rodgers; to the Committee on Invalid Pensions.

By Mr. HUDSPETH: A bill (H. R. 15236) granting a pension to Mark Y. Judd; to the Committee on Pensions.

By Mr. KNUTSON: A bill (H. R. 15237) granting a pension to Urtilla N. Schroeder; to the Committee on Pensions.

By Mr. KURTZ: A bill (H. R. 15238) granting a pension to Anna N. Carson; to the Committee on Invalid Pensions.

By Mr. McCORMACK: A bill (H. R. 15239) authorizing the President of the United States to present in the name of Congress a medal of honor to Lieut. Lester P. Maitland, Air Corps, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 15240) authorizing the President of the United States to present in the name of Congress a medal of honor to Lieut. Albert F. Hegenberger, Air Corps, United States Army; to the Committee on Military Affairs.

By Mr. McDUFFIE: A bill (H. R. 15241) for the retirement of James Floyd North, United States Marine Corps; to the Committee on Naval Affairs.

By Mr. McLEOD: A bill (H. R. 15242) for reimbursement to Charles C. Kellogg; to the Committee on Claims.

By Mr. McSWEENEY: A bill (H. R. 15243) granting a pension to Emmor Burris; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 15244) for the relief of Henry P. McMaster; to the Committee on Military Affairs.

By Mr. NELSON of Wisconsin: A bill (H. R. 15245) to refund Edgerton Creamery Co., Edgerton, Wis., income tax erroneously and illegally collected; to the Committee on Ways and Means.

By Mrs. NORTON of New Jersey: A bill (H. R. 15246) granting an increase of pension to Mary E. Fox; to the Committee on Invalid Pensions.

By Mr. SPEAKS: A bill (H. R. 15247) granting a pension to Matilda Cranmer; to the Committee on Pensions.

By Mr. STRONG of Kansas: A bill (H. R. 15248) granting an increase of pension to Mary A. Ford; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H. R. 15249) granting a pension to Etta F. Penrod; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15250) granting a pension to Elizabeth Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15251) granting an increase of pension to Emma Turner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15252) granting an increase of pension to Mahala Ann Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15253) granting an increase of pension to Sarah C. Rambo; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15254) granting an increase of pension to Hattie McKeever; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15255) granting an increase of pension to Alice Keck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15256) granting an increase of pension to Martha Hammond; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15257) granting an increase of pension to Mary Evans; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15258) granting an increase of pension to Margaret Bailey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15259) granting an increase of pension to Phoebe E. Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15260) granting an increase of pension to Caroline Ball; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15261) granting an increase of pension to Victoria E. Boring; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15262) granting an increase of pension to Addie Fishpugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15263) granting an increase of pension to Ellen McCabe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15264) granting an increase of pension to Ellen McQuade; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7939. By Mr. BLOOM: Petition of United States Customs Inspectors' Association of the Port of New York, indorsing the

Dale-Lehlbach retirement bill (S. 1727); to the Committee on the Civil Service.

7940. Also, resolution adopted by the Trustees and Superintendents of the Schools for the Blind in the United States, expressing appreciation to Congress for the increased appropriation for books and tangible apparatus and disapproving the diversion of these funds for the purpose of furnishing books free to the National Library for the Blind or to any other library; to the Committee on Appropriations.

7941. Also, petition of officers and members of County Cork Men's B., P. & P. Association, indorsing the Dale-Lehlbach retirement bill (S. 1727); to the Committee on the Civil Service.

7942. By Mr. CRAWL: Petition of American Legion Post 46, Culver City, Calif., favoring additional hospital facilities at Soldiers' Home, Pacific Branch, Los Angeles County, Calif.; to the Committee on Military Affairs.

7943. Also, petition favoring additional hospital facilities at Soldiers' Home, Pacific Branch, Los Angeles County, Calif.; to the Committee on Military Affairs.

7944. Also, petition favoring additional hospital facilities at the Soldiers' Home, Pacific Branch, Los Angeles County, Calif.; to the Committee on Military Affairs.

7945. Also, petition of John A. Martin Post, No. 153, Grand Army of the Republic, of Sawtelle, Calif., favoring additional hospital facilities at the Soldiers' Home, Pacific Branch, Los Angeles County, Calif.; to the Committee on Military Affairs.

7946. By Mr. CRAMTON: Resolutions of the Michigan district of the Evangelical Lutheran Synod at its meeting held at Saginaw, Mich., June 20 to 26, 1928, protesting against the passage of legislation proposing a Federal department of education; to the Committee on Education.

7947. By Mr. ENGLEBRIGHT: Petition of California Forest Protective Association, urging the United States Department of Agriculture to take steps to prevent spread of European larch canker disease; to the Committee on Agriculture.

7948. By Mr. KINDRED: Petition of the Central Union Label Council of Greater New York, protesting against the passage of the Cuban parcel post bill (H. R. 9195), amending sections 2804 and 3402 of the Revised Statutes, as being a measure that would, if enacted, throw out of employment many cigar makers in the United States, and urging the United States Congress to defeat this legislation; to the Committee on the Post Office and Post Roads.

7949. Also, resolution of the County Cork Men's B., P. & P. Association, approving and indorsing the Dale-Lehlbach retirement bill (S. 1727) and petitioning the United States Congress to do all in their power to bring this bill to a vote at the earliest possible moment during the present session of Congress; to the Committee on the Civil Service.

7950. By Mr. LINDSAY: Petition of County Cork Men's B., P. & P. Association, in a resolution approving and indorsing the Dale-Lehlbach retirement bill and requesting that the bill be brought to a vote at an early date; to the Committee on the Civil Service.

7951. By Mr. O'CONNOR of New York: Resolutions of the American Printing House for the Blind, expressing appreciation of the attitude of Congress toward blind pupils in the schools of the United States; to the Committee on Appropriations.

7952. Also, a resolution of the County Cork Men's B., P. & P. Association, New York City, indorsing the Dale-Lehlbach retirement bill; to the Committee on the Civil Service.

7953. By Mr. O'CONNELL: Petition of the New York Institute for the Education of the Blind, thanking the Congress for the increased appropriation to \$75,000 for books and tangible apparatus from \$50,000; to the Committee on Appropriations.

7954. Also, petition of the County Cork Men's B., P. & P. Association of New York City, favoring the passage of the Dale-Lehlbach retirement bill; to the Committee on the Civil Service.

7955. Also, petition of the United States Customs Inspectors Association of the Port of New York, favoring the passage of the Dale-Lehlbach bill; to the Committee on the Civil Service.

7956. By Mr. QUAYLE: Petition of County Cork Men's B., P. & P. Association, urging the passage of the Dale-Lehlbach civil service retirement bill; to the Committee on the Civil Service.

7957. Also, petition of United States Customs Inspectors' Association of the Port of New York, member National Association United States Customs Inspectors, and member Civil Service Forum, New York State, urging the passage of the Dale-Lehlbach civil service retirement bill; to the Committee on the Civil Service.

7958. Also, petition of Central Union Labor Council of Greater New York, against the passage of the Cuban parcel post bill (H. R. 9195); to the Committee on the Post Office and Post Roads.

SENATE

WEDNESDAY, December 12, 1928

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. Z. Barney T. Phillips, D. D., offered the following prayer:

Heavenly Father, lover of our souls, whose Spirit greets us at the threshold of the dawn, make us friends of all the world as we touch the hands and lives of men. Suffer us not to bruise the rightful self-respect of any by our malice or contempt. Help us by our sympathy to cheer the suffering, by our hopefulness to freshen those who droop in sorrow, by our striving on the heights of great endeavor to strengthen in all the wholesome sense of the worth and joy of life, and bring us to the eventide free from conscious wrong and grateful for this day of serving Thee. Through Jesus Christ our Lord. Amen.

The Chief Clerk proceeded to read the Journal of the proceedings of the legislative day of Monday last, when, on request of Mr. JONES and by unanimous consent, the further reading was dispensed with and the Journal was approved.

PROHIBITION ENFORCEMENT

Mr. BLEASE. Mr. President, on yesterday I presented two newspaper clippings with certain remarks in connection therewith and asked that they be printed in the RECORD, because I was very anxious that they should follow certain statements made previously. I would like to have printed in to-day's RECORD another short article from yesterday evening's Star, which I send to the desk.

The VICE PRESIDENT. Without objection, it is so ordered. The clipping is as follows:

[From the Star, Washington, D. C., December 11, 1928]

THREE MEN HELD IN HIJACK EFFORT—FUTILE ATTEMPT IS MADE TO CAPTURE CARGO OF BOTTLED GOODS

Baltimore police and Federal agents are investigating a futile attempt last night by four men to "hijack" a \$10,000 truck load of imported whiskies consigned to Spanish, Swiss, Italian, Honduran, and Haitian embassies here, and to-day were holding three men for questioning in the affair. They gave their names as George Martin, Howard Dublen, and John Herbert.

A truck in charge of Carl Poole had just received 217 cases of bottled goods from the British steamship *Davistan* and was proceeding to the United States appraiser's warehouse when a small coupé containing four men pulled abreast and crowded the truck to the curb.

Poole said the newcomers leaped from their machine and ordered him to return to the pier with the liquor.

Poole asked them to show their authority, whereupon, Poole said, they flourished guns, hauled him from his truck, and applied the butt end of an automatic to his skull.

But a crowd gathered quickly, according to the driver, and the men, becoming frightened, leaped into their coupé and drove away.

As a result of the hold-up attempt, Charles H. Holtzman, collector of customs, to-day ordered that future truck loads of whisky for transportation through the streets be attended by two armed guards in addition to the driver.

WORLD PEACE

Mr. SHEPPARD. Mr. President, I send to the desk a telegram which is in the nature of a memorial and ask that it may be read.

There being no objection, the telegram was referred to the Committee on Foreign Relations and was read, as follows:

HOUSTON, TEX., December 11, 1928.

Senator MORRIS SHEPPARD,

Washington, D. C.:

We lend our heartiest indorsement to the Scripps-Howard "Kellogg antiwar treaty before Christmas" movement.

Mrs. LOUISE MASTERSON,

President of Houston League of Women Voters.

L. PEARL PERKINS,

Executive Secretary.

Mr. BRUCE. I should like to ask the Senator from Texas whether the communication which he has just sent to the desk reached him after Paraguay and Bolivia renounced war under the Kellogg peace pact and before they practically entered on war?